

i-eval THINK Piece, No. 9

Common issues affecting monitoring and evaluation of large ILO projects

Strategies to address them

Robert Lahey

**International Labour Office
Evaluation Office**

November 2015



Common issues affecting monitoring and evaluation of large ILO projects

Strategies to address them

By Robert Lahey

The responsibility for opinions expressed in this document rests solely with the authors. The publication does not constitute an endorsement by the International Labour Organization.

This document has not been subject to professional editing.

Table of Contents

1. Introduction.....	2
2. Background: What are the effective measurement tools of RBM?	2
3. Historical performance of M&E in ILO projects.....	3
4. Findings: Common issues affecting M&E and evaluation of large ILO projects.....	4
5. Conclusions: What needs to be addressed to improve M&E	6
6. Recommendations	9

1. Introduction

- 1.1 This Think Piece¹ draws on recent evaluability assessments of high-budget ILO projects to ascertain how well the ILO is performing at the project level in terms of measuring, monitoring and using results information.
- 1.2 The purpose is to identify any common issues affecting monitoring and evaluation (M&E) and propose suggestions on how the ILO could improve its results-based management (RBM). In so doing, the paper points to the particular stage of the project cycle where more attention on M&E development is likely needed.
- 1.3 For ease of reference, part 2 provides a brief background on what the organization should expect from new projects' capability to manage for results. Part 3 gives an historical overview of the performance of M&E implementation in ILO projects Part 4 draws on recent evaluability assessments of projects with a budget over US\$5 million to identify common issues that continue to plague M&E implementation and negatively affect eventual evaluations. Conclusions are given in part 5, highlighting issues and the relevant stage in the project cycle which needs to be addressed with corrective action. Finally, the paper offers recommendations for action in part 6.

2. Background: What are the effective measurement tools of RBM?

- 2.1 In broad terms, 'managing for results' means clearly defining the results expected, delivering the project, measuring and evaluating performance, and making subsequent adjustments to improve both efficiency and effectiveness. It also means reporting on performance to key audiences.
- 2.2 In other words, the foundation of RBM is accurate and timely performance information. It is both a top-down and bottom-up exercise, as managers and the management system in general need to implement a systematic information regime that measures, evaluates and reports on key aspects of projects and their performance. In this respect, the tools of monitoring and evaluation (M&E) provide the needed instruments.
- 2.3 Effective RBM requires that each project during its design phase has articulated the underlying theory of change that provides the rationale for project intervention. A

¹ This Think Piece was prepared by Robert Lahey, an independent external consultant who was the founding head of Canada's Centre of Excellence for Evaluation and, over the past decade has served as an advisor to international agencies and governments on building results-based monitoring and evaluation capacity at program, organizational and national levels.

‘results chain’ (also known as a log frame or logic model) links the resources and activities to the results (outputs and outcomes) which the project is expected to achieve, identifying the key steps along the way. A comprehensive theory of change – implicitly underlying project logic – also identifies the expected client reach and the set of assumptions and risks upon which project success depends. This includes identification of environmental conditions and other influencers or key groups and that could impact project objectives. **Chart 1**² identifies a comprehensive list of elements to be addressed by project managers when designing a theory of change and log frame.

- 2.4** Performance indicators, both quantitative and qualitative in nature, are derived for each output and outcome and a performance measurement strategy is crafted that identifies how each indicator will be measured (data source, measurement approach, frequency of measurement, etc.). Some indicators may be measured through implementation of ongoing monitoring systems, others via special data collections, and others via *ad hoc* but more comprehensive evaluation.
- 2.5** The performance measurement strategy is put in place in an M&E plan, with the intent that some elements of information are being gathered and used on an ongoing basis by project and senior managers to assist in implementation and decision-making. Other longer-term results information would be measured and analyzed at the time of evaluation (midterm and final) using the ongoing monitoring information as well as data/information gathered via primary data collection methods.
- 2.6** In sum, development and implementation of results-oriented systems need to have both a short-term and longer-term perspective and utility and have a clear focus on learning. There is a central role for the theory of change in identifying ‘what’, ‘why’ and ‘when’ to measure performance. The ‘how’ aspect of measurement is usually an iterative process and one that revolves around using the tools of M & E cost-effectively. But, as discussed below, this broad approach to tool development and use often has gaps that eventually limit the development and effectiveness of RBM.

3. Historical performance of M&E in large ILO projects

- 3.1** Over two-thirds of ILO independent evaluations flag poor or non-existent monitoring and evaluation (M&E) approaches and practices as primary constraints to project effectiveness.³

² Both Chart 1 and Chart 2 appear at the end of this paper.

³ Op.cit. Guidance Note 16, August 2014. See also ILO. Evaluation Office, [Annual Evaluation Report](#) (Geneva) 2015, p. 20.

- 3.2** It is for this reason that the ILO Evaluation Office (EVAL) has targeted the growing number of higher-budget projects for additional support in both planning and implementing effective M&E designs, focusing on the need to better prepare projects to document their effectiveness and results. Procedures⁴ have been implemented that involve both EVAL and the Partnership and Development Department (PARDEV) to improve M&E plans and practices for projects with budgets over US\$5 million. These procedures have been incorporated into the recently updated ILO *Development Cooperation Internal Guidance Manual*.⁵
- 3.3** But, is this sufficient? Evaluability assessments (EA) of projects over US\$5 million undertaken over 2014-2015 have underscored the importance of the front-end investment in M&E during the design and inception phases of projects. Observed weaknesses in the articulation of project theories of change, as well as the M&E Plans, are limiting the ability to measure and report on results. This has implications for both ongoing management decision-making as well as the eventual evaluation of the project to determine project effectiveness and success. Should more be done in support of M&E development and implementation?

4. Findings: Common issues affecting M&E and evaluation of large ILO projects

- 4.1** Evaluability assessments of large ILO projects that were undertaken over 2014-2015 have revealed some recurring weaknesses that impact the ability of project management to measure, monitor and use results information.⁶
- 4.2** In general, a systematic approach, based on the ILO *Development Cooperation Internal Guidance Manual*⁷, is being used in planning during the project design phase. Aided in part through the development of log frames during the front-end development of the project document, projects are articulating objectives along with the relevant activities associated with their attainment. This has led to greater potential for monitoring progress of project implementation.
- 4.3** There are some serious gaps, however, in several areas associated with the results framework, the theory of change and the M&E plan. In particular:
- The articulation of the project's theory of change is generally absent or insufficient. The current approach to log frames needs modification and enhancement, for example, more focus on causal link assumptions and

⁴ Ibid.

⁵ ILO. PARDEV, *Development Cooperation Internal Guidance Manual* (2015).

⁶ Findings draw from recent evaluability assessments of the following large projects: *Global Action Programme for Migrant Domestic Workers*; *Better Work Stage III*; *Bangladesh Skills for Employment and Productivity*; and, *Improving Working Conditions in the Ready-Made Garment Sector*. A number of other ILO documents examining M&E and RBM were examined, including *Improving Results-Based Management in the ILO*. Evaluation Office. *Challenges and Opportunities*, i-eval Think Piece No. 5, (2014).

⁷ Op.cit. ILO, PARDEV.

risks, as well as the potential role of other key players/partners to programme success;

- The log frame identification of expected results generally fails to clearly identify the full set of results and often confuses the articulation of 'outputs' with 'outcomes';
- The clarity and completeness of performance indicators to measure project progress and success are frequently problematic;
- The performance measurement strategy in general tends to have serious gaps, in particular, lack of relevant data/information sources and feasible measurement strategies;
- There is too little or no monitoring of 'other influencers' that influence movement along the results chain and ultimately, attainment of success. Recognition of such 'influencers' may bring to light the non-linear relationship inherent in a project's theory of change and the true complexity of the initiative;
- Most M&E plans generally need a more systematic, structured and comprehensive approach to the collecting, reporting and analysis of data, including assigning responsibility;
- M&E Plans frequently are neglected or are not implemented effectively.

4.4 Most log frames are not cast in a holistic frame of broad results/expectations for eventual outcomes. In many respects, the log frame seems to serve as a road map for articulating activities for the sole purpose of monitoring the activities. This is useful from a planning and management perspective, but falls far short of measuring and monitoring results and project success. It also means that results information which is needed for an eventual evaluation will not likely be readily available at the time of the evaluation.

4.5 The absence of a theory of change for most projects leaves a significant gap in design aspects of the architecture of the project. For those ILO projects where partnering is a common feature, clarity around the assumptions identifying where, when and how external influencers would be expected to intervene is important for both project design as well as monitoring progress and performance. On a measurement level, this kind of gap negatively impacts the ability to monitor, evaluate and report on project performance.

4.6 Monitoring and Evaluation can sometimes be seen as a much lower priority at the project's inception, as all efforts are aimed at launching the project. This may be due in part to the limited resources available even for project start-up and delivery. Regardless, there is often limited follow-through on implementation of the performance measurement strategies and M&E Plan, in spite of how well defined they may be.⁸

⁸ Op.cit. The problems associated with implementation of M&E Plans of large projects is discussed in EVAL 'Guidance Note 16'.

- 4.7** In general, when performance information is collected, it tends to serve more of an administrative purpose, for example, used by a program manager to report on activities and expenditures so as to justify or release funds for further project activities. Broader use of results information is limited, certainly during the life of the project.
- 4.8** Taking account of the above observations, the eventual midterm or final evaluations of the project will have access to limited results information that is readily available on project effectiveness and success. Moreover, this results in additional expenditure to collect primary data at the time of evaluation.

5. Conclusions: What needs to be addressed to improve M&E

- 5.1** **Chart 2** at the end of the document identifies the set of stages – nine in all - that together comprise the ‘results measurement continuum’ for a project. The critical front-end stages are:

- ✓ Stage 0 – Training and mentoring of ILO officials to understand the concepts, definitions and standards for M&E and RBM
- ✓ Stage 1 – Development of project profile, theory of change and results chain/log frame
- ✓ Stage 2 – Derivation/articulation of relevant performance indicators
- ✓ Stage 3 – Development of the performance measurement strategy/M&E Plan
- ✓ Stage 4 – Implementation of the M&E Plan to measure and monitor project performance

- 5.2** The recent evaluability assessments of large projects (i.e. Stage 6 in **Chart 2**) has shown that feedback has been required to improve a number of fundamental elements originally derived at Stages 1, 2 and 3. With suggested improvements to front-end development of log frames and the elements of M&E (i.e. Stages 1 and 2), however, it would be expected that in the future feedback from evaluability assessments would serve principally to adjust M&E plans (as needed) to help ensure their implementation (i.e. Stages 3 and 4).

- 5.3** Based on the current weaknesses and capacity gaps pointed out by this assessment of large projects, there are four fundamental areas related to RBM and M&E that should be addressed in order to improve the current situation regarding M&E development and implementation:

- ✓ Improve the understanding of RBM and the tools of M&E – Stage 0.
- ✓ Provide support and mentoring to managers of large ILO projects on development of theory of change, log frames, indicators and performance measurement strategies/M&E Plans – Stages 1, 2 and 3, respectively.

- ✓ Formalize points of oversight and provide early feedback to project managers on quality of results-oriented M&E – Stages 1, 2 and 3 and Stage 6.
- ✓ Place more incentive for follow-through on M&E implementation and reporting – Stage 4 and Stage 6.

A set of suggested actions to address each conclusion has been identified in **Table 1** below.

Table 1: Key Conclusions and Suggested Actions Needed

Key Conclusion	Actions Needed to Support Conclusion	Stage in Project Cycle
1. Improve the understanding of RBM and the tools of M&E	1.1 Modifications to the ILO Development Cooperation Manual to align certain elements with international good practices - for example: definition of outputs, inclusion of a theory of change, expansion on the importance of assumptions and risks and the need to monitor.	Stage 0 (Understanding)
	1.2 An update to the training regime for RBM and M&E which is reflective of the updates and enhancements to the guides and manuals aimed at ILO project managers.	
2. Provide support and mentoring to managers of large ILO projects on development of theory of change, log frames, indicators and performance measurement strategies/M&E Plans	2.1 At project design phase, hands-on support provided by experts (PARDEV / EVAL and/or external experts) to help ensure that a comprehensive log frame/results chain, theory of change, and a viable results framework and M&E Plan have been articulated that adhere to ILO requirements, reflective of international good practices.	Stages 1, 2& 3 Design phase: • project logic • theory of change • indicators • PM strategy • M&E Plan
	2.2 A formal requirement for ILO programmes to follow the standardized process (and using the updated ILO definitions, concepts and terms) for development of programme log frames and theory of change.	
3. Formalize points of oversight and early feedback to project managers on quality of results-oriented M&E	3.1 Improvements in the front-end development (Stages 1, 2, 3) - At project design phase for projects above US\$5 million, requirement for EVAL to not just review but formally sign off on the log frame, theory of change, performance indicators, performance measurement strategies and M&E plans articulated in the PRODOC for large-scale projects	Stages 1, 2& 3 Design phase: • project logic • theory of change • indicators • PM strategy • M&E Plan
	3.2 Early feedback on results-oriented M&E (Stage 6) – Undertake evaluability assessment during the first year of projects with budgets above US\$5 million, to include formal recommendations on where and how project log frame, theory of change and all aspects of the M&E Plan may need to be adjusted.	Stage 6 Evaluability Assessment – Feedback Loop

4. Place more incentive for follow-through on M&E implementation and reporting	4.1 Institute a formal requirement for project management of large-scale projects - at project inception - to assign an officer with responsibility for M&E; i.e. overseeing the implementation and reporting on performance.	Stage 4 M&E Plan
	4.2 EVAL should continue to monitor and formally report, as part of its Annual Evaluation Report (AER), the state of performance measurement within the ILO, with specific reporting on the implementation by managers of recommendations stemming from evaluability assessments.	Stage 6 Evaluability Assessment – Feedback Loop

5.4 In reflecting on these conclusions and suggested actions, a few important considerations need to be kept in mind:

- In spite of recent amendments to the *ILO Development Cooperation Internal Guidance Manual*⁹ there are areas that need to be addressed to ensure both breadth of coverage (for example, including more discussion and advice on development of a theory of change) as well as better alignment with international definitions and good practices associated with the development of results-oriented M&E.
- If the *Development Cooperation Internal Guidance Manual* and M&E guidance is being modified, any associated ILO training on RBM and M&E development should reflect any enhancements or changes being introduced.
- In the international sphere, it is not uncommon in the area of results-oriented M&E to observe a lack of agreement or precision around terminology or approach. It is suggested that ILO guidance align with internationally-accepted good practices and ensure that all project design and development adhere to this regime. This formalization of the requirement will ensure consistency and improve evaluation quality.
- The suggestion for putting more focus on the front-end project development stage - stages 0 to 3 in **Chart 2** - as an appropriate point of intervention for helping ensure improvement to M&E and RBM in the ILO - is based on a broad set of international observations that tend to demonstrate that formal teaching or orientation to M&E on its own is insufficient to ensuring implementation of a results-oriented M&E system. Supplemented by hands-on support and mentoring from technical experts, project managers are more likely to develop more meaningful and sustainable M&E systems. There are of course costs associated with such mentoring, but they need to be weighed against the expected benefits of improved RBM. In addition, mentoring and training should reduce the added costs of having to modify RBM/M&E systems after the fact.

⁹ Op.cit. ILO. PARDEV.

- The ILO Evaluation Office (EVAL) is well positioned and possesses the appropriate skill set to offer the mentoring and technical support on M&E development as discussed above. Concerns within EVAL that independence may be compromised if there is too much involvement in mentoring should be considered. ILO senior management should determine if RBM and M&E development is of a sufficiently high priority to bolster capacity in the Office to support such activities. In the absence of this, the ILO may consider building into project budgets a more formal requirement for front-end technical support at the project design/development phase (using external experts, for example), with a review mechanism and sign-off requirement by EVAL which is more formal than currently exists.

6. Recommendations

The advice provided in **Table 1** has been synthesized into five recommendations for the ILO provided below:

Recommendation 1: *The ILO should review and revise, as needed, those sections of its Development Cooperation Internal Guidance Manual¹¹ related to M&E and RBM with a view to incorporating a comprehensive section on deriving project theory of change, as well as aligning definitions of results and relevant indicators in line with international good practices.*

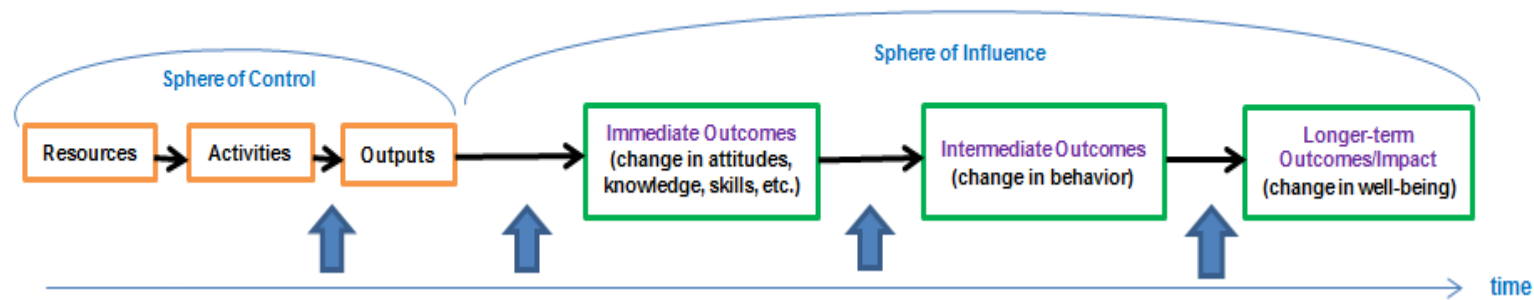
Recommendation 2: *Given the importance that the ILO places on results-based management, greater priority needs to be given to development and implementation of the tools underlying the successful operation of an RBM system. Greater focus should be placed at project design phase insofar as development of the theory of change, log frame, performance indicators, measurement strategies and M&E Plans are concerned.*

Recommendation 3: *The ILO should require hands-on support from relevant technical experts (either internal or external) in the development of results frameworks and M&E strategies and plans for all large-scale projects.*

Recommendation 4: *For all large-scale projects, there should be a requirement for a formal sign-off by EVAL at the project design phase on the articulated theory of change, log frame, performance indicators, performance measurement strategy and M&E Plan.*

Recommendation 5: *Funding for all technical support and oversight activities associated with the development of results-oriented M&E frameworks and Plans - whether conducted internally (by EVAL for example) or by external technical experts - should be built into costing associated with front-end project development activities.*

¹¹ Ibid.

Chart 1: A Projects Theory of Change

↑ Possible points of intervention where other influences could impact movement (how far; how fast) from one step in the 'Results Chain' to the next and, ultimately, overall project success. Assumptions (and risks) regarding environmental conditions, the behaviour of other actors/key groups and/or the performance of subsidiary activities (carried out by these other key groups) are all important elements in enunciating the project's Theory of Change.

Elements to be addressed in developing underlying assumptions (and risks) for a project's theory of change:

- What are the expected results (outputs and outcomes) in order to achieve the project's stated objectives?
- What is the level of resources needed to achieve expected results within a reasonable time period?
- What is the target audience the project is trying to reach – primary clients? Secondary clients?
- What other key groups or 'partners' are implicated (either directly or indirectly) in attainment of results for this project?
- If there are other actors, at what point in the results chain would they likely influence movement along the results chain?
- How and at what point in the process do other organizations/key groups contribute to the project's capacity to reach the target audience?
- What level of engagement is wanted/needed from these various key groups/influencers?
- How does the engagement of key groups affect delivery and project results over time?

Chart 2: The Results Measurement Continuum
Key Stages to the Development/Implementation of M&E for a large Project

