GETTING FOCUS the quest for the holy grail in impact evaluation of private-sector development

Giel Ton LEI Wageningen UR, 10 February 2012



Story line

• The Holy Grail

• (cf Ton, Vellema and DeRuyterDeWildt, 2011):

Focus on key indicators....

..... with credible methods.....

... keeping it lean and realistic.

• The Quest

• (cf Ton, 2012):

Get the stakeholders together.....

- identify overarching learning questions...
- find related outcome indicators
- and design appropiate research tools.

• The Morale

You only get there when you believe in the intervention..... and make yourself vulnerable.



THE HOLY GRAIL

Focus on key indicators....

- <u>Monitor</u> on indicators that are informative in understanding the dynamics in private-sector development in a country/sector
- <u>Evaluate</u> indicators that are informative for benchmarking performance of the intervention
- <u>Learn</u> with information that helps to build and adjust the specific intervention theory

....with credible methods

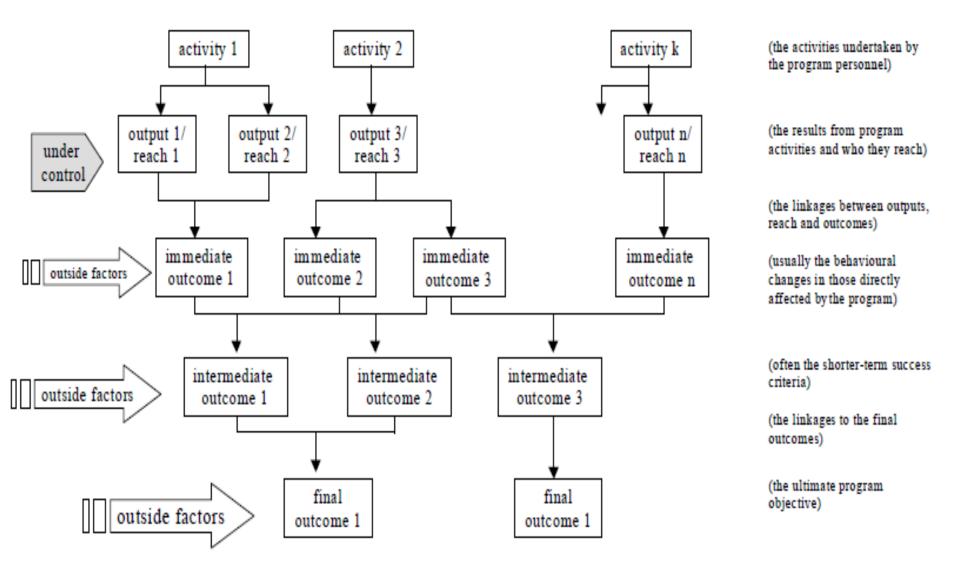
- To get real evidence on the contribution or relevance of an intervention you need to go beyond before-after measurements:
 - In relatively simple settings:
 - research designs that take other intervening factors into account, to get 'net-effects'
 - In more complex settings:
 - research designs that feed counterfactual reasoning ('what would have happened when we had not intervened?')

.... keeping it lean and realistic

 "Moving from outputs, (...), to understanding outcomes and proving impact is extremely complicated and seems to require randomized control trials that demonstrate the counterfactual. (...) But these studies are expensive, and it is impractical to spend \$250,000 researching the impact of a \$500,000 investment—unless such a study could be used to understand the impact of similar investments in our portfolio and others for years to come.."

(Trelstad - Acumen Fund, 2008:109)





Get the stakeholders together....

- Theory-based evaluation starts with a session with those groups/persons that shape the programme interventions:
 - knowledgeable on change processes likely to be triggered by the intervention
- Speaking 'the same language' is difficult:
 need for a small group of key persons.

... identify overarching learning questions.....

- 1. Make the logic behind the intervention/programme explicit:
 - logic models / result chains / theory of change
- Come to a list of learning questions based on a reflection on this logic
- 3. Select those learning questions that are interesting for similar types of interventions (e.g. countries/sectors)
 - <u>Overarching learning questions</u>: to the learn about the processes in these specific type of support interventions ('good practices')
 - Project specific learning questions: Additional learning questions prioritized by the pilots to be incorporated in monitoring and evaluation, also to get buy-in for the above more general datacollection efforts
 - <u>Impact-oriented questions</u>: these relate to intermediate and ultimate outcome/impact.

...and find related outcome indicators....

- Impact-related questions:
 - Find (proxy-)indicators that are (partly) dependent on the performance of the programme/intervention ('if they go down, we have a problem')
 - Though they need pilot/project specific operationalizing, these can often be phrased in similar terms to facilitate uniform reporting and benchmarking

..... and appropriate research tools.

- The QUAN QUAL paradigm wars are often quite counterproductive
 - Methods can only be chosen after you now the indicator to measure for the question to ask, and the level of detail needed
 - 'Measure the easy ones with easy methods'
 - The use of single-methods for difficult but key outcome indicators tend to generate conclusions with important validity threats (the 'cynical outsider')
 - Generally, you need a mix of methods



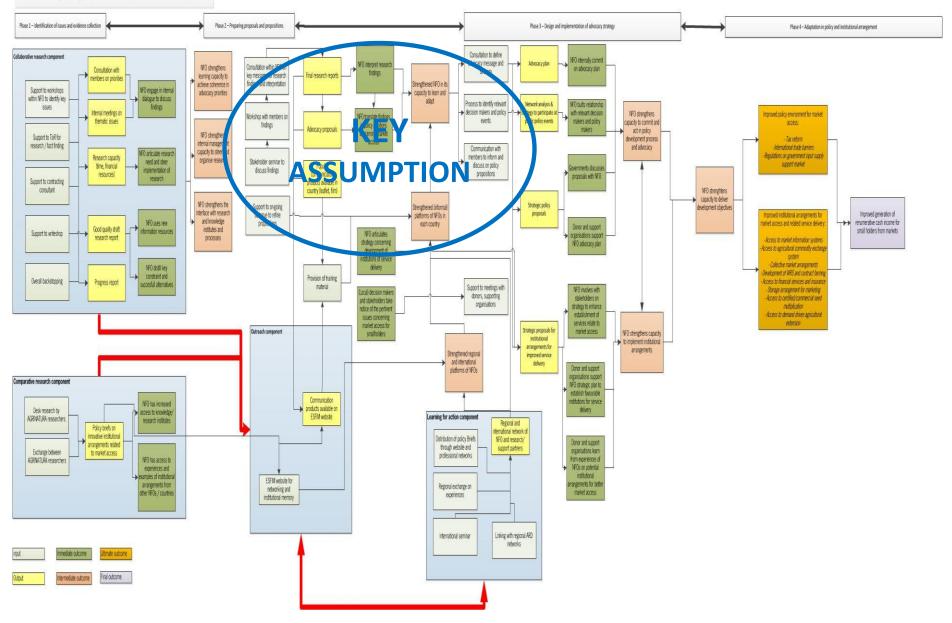
EXAMPLE 1:

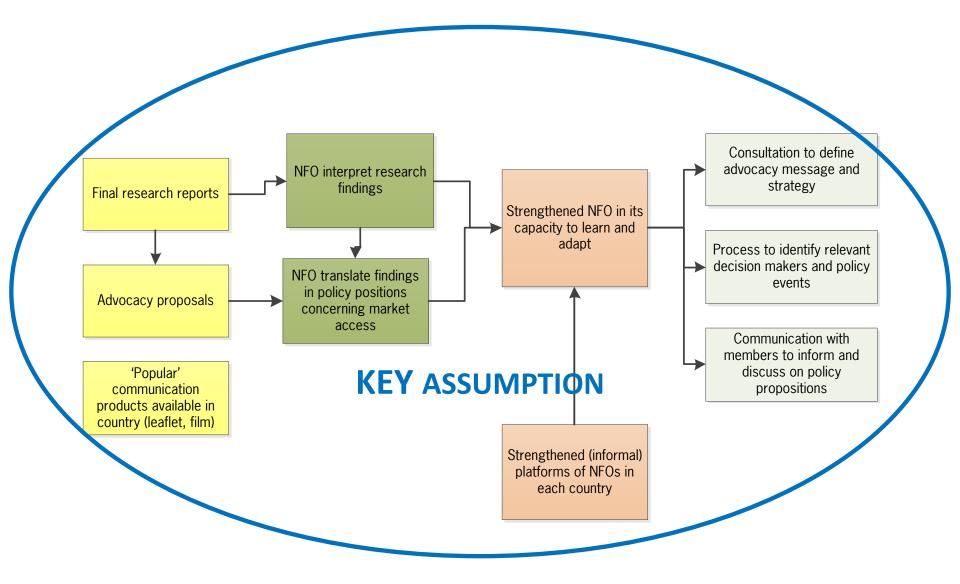
RESEARCH SUPPORT TO FARMERS ORGANISATIONSADVOCACY FOR MARKET ACCESS POLICIES ('ESFIM' www.esfim.org)

Case 1: Empowering Smallholder Farmers in Markets

- Context:
 - Ten countries
 - Ten national farmer organisatons
 - Ten different researchers
 - Dozens of local consultants
 - Wide diversity of issues
- Intervention logic
 - Explicit the intervention logic in each country
 - Organize this in a common framework
 - Discuss this in a planning workshop

ESFIM - Empowering smallholder farmers in markets - Result Chain





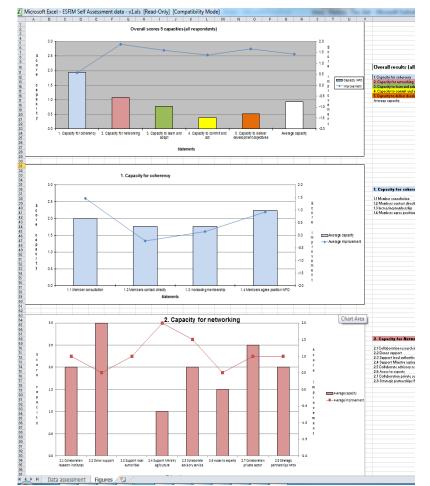
Lean instruments

- Internal 'process' evaluations on YouTube:
 - Mentioning also the weak

points



- Capacity 'monitoring' tool:
 - panel interviews
 - reflection on (divergent) valuations





EXAMPLE 2:

IMPACT ASSESSEMENT IN FOUR BASE-OF-THE-PYRAMID INNOVATION PILOTS

B-questions: impact oriented

No.	IMPACT ORIENTED QUESTIONS				
	Impact	pilot 1 UborawaDawa	pilot 2 Bio Socket	pilot 3a Ethiopia cooling	pilot 3b Vietnam cooling
B-1	What is the (expected) impact of the BoP-pilot on the Innovation system	Use of test kit Effective substandard control	Use of bio socket Innovative energy use	Cooled milk procurement units Improved access to local high value market	Cooled vegetables procurement system Improved access to local high value market
B-2	What is the (expected) impact of the BoP-pilot on BoP livelihoods	Reliability of medical treatment Scale	increase	Net income increase smallholders minimu Fremen	

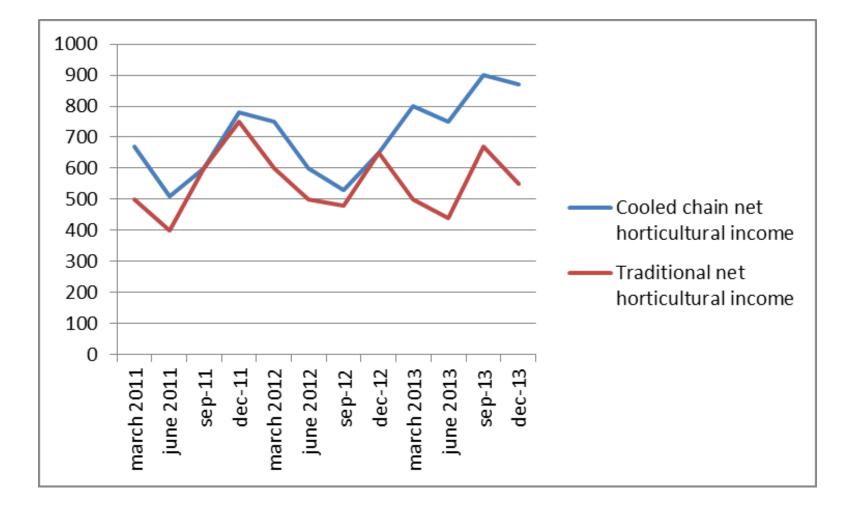
Fresh Vegetables Cooling

Impact on inovation system:

- The new cooling devices will open the room for experimenting with shorter chains and more direct coordination between producer and consumer/retail.
- To track these impacts, a baseline is needed on current procurement practices for vegetables in Vietnam with an estimate of the involved number of producers and volume of produce.
- This situational 'scan' can be updated yearly to keep track with the impact of the cooling innovations in the local innovation system around fresh vegetables in Vietnam. Information can be collected by interviewing a representative pane/group of procurement officers of supermarkets.

- Impact on livelihoods:
- Random allocation of the cooling infrastructure is unlikely
- The net-income impact in livelihoods will be derived from a change in their agricultural system. This change will affect other activities, e.g. as a result of the relocation of labour to fresh quality vegetable production. We recommend the detailed calculation of the benefits of the horticulture production through the new distribution system, and compare the resulting net income with a comparison group that produce horticulture for the traditional spot market.
- Data need to be in time-series that reflect the dynamics during the year and between years. The importance lies in systematically (e.g. quarterly) collect and present these figures based on real averages of production (yield), and costs of inputs, both external inputs as the inputs of hired labour.
- Tracking of the time series data can start when the likely intervention area is selected. It is recommended to have already data some years before the moment of introducing the cooling devices. The impact can thus be calculated as the difference between the difference in the regression line between both groups in both phase (before and after).

Interrupted Time-Series Design



UborawaWara: test-kit for antibiotics

- Random allocation of the test-kit seems feasible
- A design to compare with clients health centres (using the test-kit) and non-client health centres is needed. This might be possible in a defined area through a lottery of test-kits between interested health centres. In this way the selection bias is avoided and the averages of key indicators in the two groups can be compared.
- In each of these health centres, in both groups, time-series data can be collected on the amount and incidences of medicine recalled as a percentage of the total amount/number prescribed. A change in this proportion in clients, and a difference in this change with non-clients, is credible evidence of the effectiveness of the test-kit.

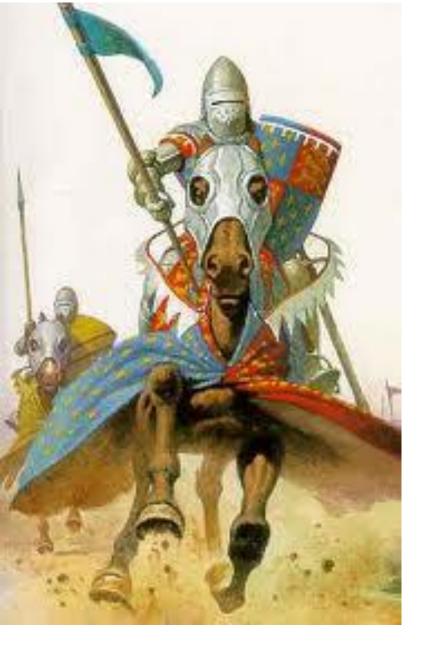


You only get there when you believe in this kind of interventions.....

- We experience reluctance in stakeholders when asked to explicit their intervention logic
 - "things never go as expected"
 - "we are learning by doing"
- We explain that an intervention logic is always an expectation ('program theory'), and need to be adjusted regularly

..... and make yourself vulnerable.

- Defining 'outputs' is safe: total control
- Defining 'ultimate outcomes' is safe: no attribution
- Defining intermediate outcome indicators makes you vulnerable:
 - You might have assumptions about change processes that prove to be wrong
 - You can be benchmarked with other programmes that try to reach similar things



Thanks!

