

From Performance Monitoring to Impact Monitoring and Assessment

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Abstract

To what extent do development projects achieve their purpose and reach their goals? Are we doing things right (efficiency) and are we doing the right things (effectiveness)? "Impact Monitoring and Assessment" (IMA) is an instrument that provides managers, staff and consultants in rural development programmes and projects with building blocks for project-specific impact monitoring. As part of a project's self-evaluation, IMA is an instrument of reflection, learning and quality control that can be applied throughout the project life cycle, in order to better adapt project activities to a changing context. IMA contains many examples from sustainable land management (SLM), an important component of sustainable development. Broad involvement by stakeholders during the entire IMA procedure is essential and can also play a central role in their empowerment. IMA takes constraints on time and money in development projects into account, and proposes only simple and therefore cost-effective tools and instruments that have already been tested in practice. The aim of IMA is thus to find plausible indications - and not scientific proof - of a project's impact.

1. The development of Instruments for impact monitoring and assessment

There is an on-going discussion among development agencies and their partners about how to assess the impacts of development cooperation. "Impact Monitoring and Assessment, Volumes 1 & 2" (Herweg and Steiner 2002) is a contribution to this discussion. This publication presents impact monitoring and assessment (IMA) as part of the self-evaluation process of a project. It contains tools for reflection, learning and quality control throughout a project's life cycle, in order to better adapt project activities to a changing context. The context is referred to as a project's biophysical, socio-cultural, economic, institutional and political milieu or environment.

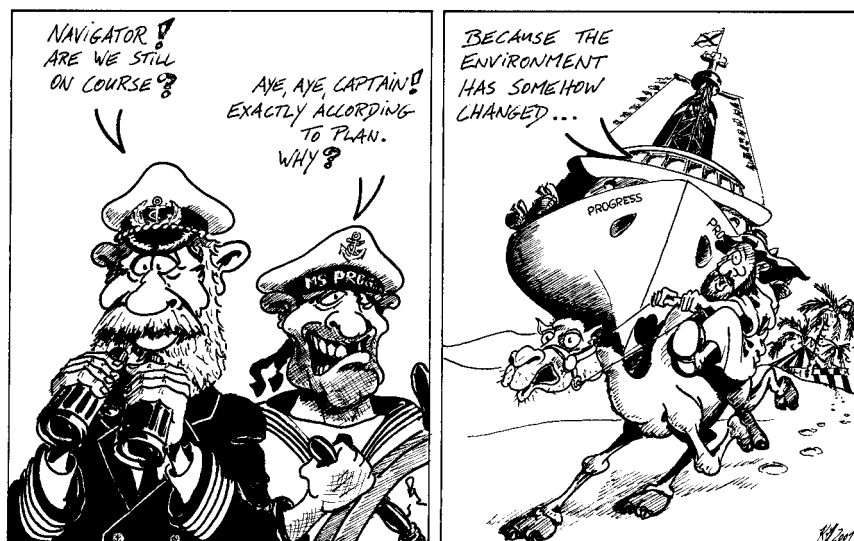


Figure 1: When the context changes and the plan does not

The documents were developed with the help of an international group of experts over a period of five years, in response to the demands of several development agencies, mainly in Switzerland and Germany. The present version is based on the feedback of project staff and consultants who tested a preliminary version over a period of three years. IMA takes constraints on time and money in development projects into account, and proposes only simple and therefore cost-effective tools and instruments. The aim of IMA is thus to find plausible indications - and not scientific proof - of a project's impact.

2. Approach

While trying to carry out all planned activities and achieve expected results, it is easy to lose sight of the goal. Indeed, in the view of many donor agencies, projects focus too closely on function and performance (efficiency) and not enough on impact (effectiveness). It is important not only to ask, "Are we doing things right?" but also, "Are we doing the right things?"

Development agencies justify their activities in terms of impact on the context, and projects justify themselves through good performance. Theoretically, performance and impact are both included in project cycle management. Context is represented in the formulation of the purpose and overall goal of the project, i.e. "empowerment", "poverty alleviation", "sustainable land management", etc. Performance, on the other hand, is expressed in terms of expected results. In practical terms, however, the impact is often not sufficiently addressed. From a donor's perspective, therefore, a shift of paradigm is necessary - from performance towards impact, and from efficiency towards effectiveness.

From a project's perspective, the question is how to make this shift. In formulating a goal and project purpose, the planning phase is concerned with a wider view of the project context. But monitoring and evaluation (M&E) focuses mostly on the outputs of a project (performance, results). Therefore, these basic instruments of project cycle management (PCM) should be supplemented by impact monitoring and assessment tools (IMA), in order to restore a wider view of the context. Taking into consideration the constraints on time and money that projects face at the moment, the only chance to apply IMA is to link it closely with existing PCM procedure (Figure 2).

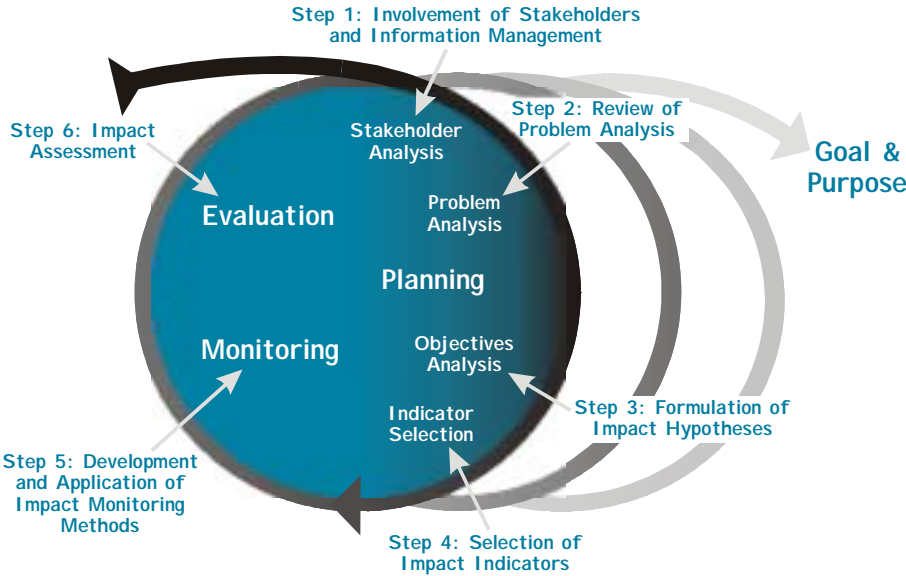


Figure 2: Integrating impact monitoring and assessment into project cycle management

Until the outputs of a project are utilised and impacts achieved, a certain amount of time passes during which the context changes. It will change in any case, with or without the project. On the one hand, it will be subject to internal (context-specific) mechanisms of change, e.g. social processes such as changing power relations, learning, integration, adaptation, rejection, etc. On the other hand, it will also be affected by external factors of change, such as the national and international economy, different policies, etc. There must be complete awareness that the project is only one factor among many, and finally, that a change in the context is the result of the influence of all factors. This makes it very difficult to determine an impact precisely, i.e. to attribute a change to a single project. But despite this “attribution gap”, every project is in a position to monitor and assess its changing context, to search for and show plausible relations between its actions and changes that occur, and to learn lessons from change in order to modify and adapt its activities in the future. The present document has been designed to help projects in setting up their own tailor-made impact monitoring system.

3. Six steps in impact monitoring and assessment

3.1 Step 1: Involvement of stakeholders and information management

Whether an impact is considered positive or negative, sustainable or unsustainable, etc., depends on who assesses it (a farmer, his wife, a researcher, a policy-maker, etc.), and his or her interests (economic, social, ecological). A variety of subjective views may not be easy to manage. But detailed analyses from different points of view also reveal a variety of development opportunities for a project.

A project may trigger changes in its context through its outputs. But it is the stakeholders who actually make the changes by using the outputs and going through social processes such as learning, adaptation, rejection, etc. Therefore it is necessary for stakeholders to be actively involved throughout the entire IMA procedure. Stakeholders bring their detailed knowledge and perception of the context into analysis of problems and alternatives (Step 2). They provide a large number of positive and negative impact hypotheses which may otherwise be overlooked by the project team (Step 3), and they provide local indicators (Step 4). They become actively involved in observation and data collection (Step 5), and changes in the context cannot be assessed or judged without them (Step 6). At the end of a project phase, stakeholders offer new opportunities for improving the work of the project.

Participatory IMA can only be successful if it is transparent and if the information collected is relevant to different stakeholder groups. From the beginning, information must be presented in an appropriate and understandable form for each group. Similarly, the means of communication and dissemination of information are determined by the needs of each group. Finally, information must be stored accessibly for everyone interested in it.

3.2 Step 2: Review of problem analysis

Creating positive impacts implies that the main elements of the project context and their interplay are sufficiently understood. The elements of a context – i.e. people, institutions, resources, etc. - are highly inter-connected, and not all elements and interrelations are known, even to insiders. Stakeholders with different agendas represent an additional degree of uncertainty and unpredictability. Focusing on only one problem with linear and causal relationships (e.g. problem tree) is therefore critical. Network and systems analysis tools are much more appropriate.

Development problems within a system (e.g. soil degradation) usually have complex causes and consequences, and “solutions” (e.g. soil conservation) will create multiple, positive and

negative side-effects. Consequently, problems cannot be solved with a “repair-shop mentality”, i.e. tackling only the most obvious cause. Because the responses of a system cannot be precisely predicted, a project in a rural context cannot be expected to provide simple solutions. It can only provide various “impulses”, such as enhancing co-operation and training stakeholders, introducing a new technology, etc. in order to stimulate partners move the context in a certain direction. And because it is not certain whether these impulses will finally lead to the desired changes, there is a need to observe and assess the changes constantly to decide which impulses to give next.

3.3. Step 3: Formulation of impact hypotheses

What development visions do stakeholders have, which impacts are desirable and which are not? Is the project context moving towards or away from sustainability? The formulation of the project goal, purpose and expected results should reflect a situation to be achieved. Anyone planning a project intends to create positive impacts. But experience shows that negative impacts are often a by-product of development activities. Because not all elements of a project context can be considered in the problem analysis (Step 2) and not all possible changes can be predicted, it is natural that not only intended, but also unintended changes - both positive and negative - will occur. Not all, but a considerable number of possible impacts can be foreseen by participatory exercises that formulate impact hypotheses. It is helpful if stakeholders formulate their hypotheses as an impact chain (utilisation of project outputs - effect of utilising outputs - benefit / drawback – impact, Figure 3) which reveals their views on the mechanisms of change. Even if it is not possible to predict everything, the project and its stakeholders are at least better prepared. And they are in a better position to manage negative issues when they arise.

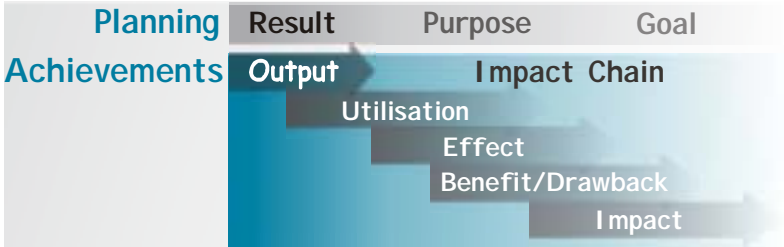


Figure 3: Impact chain

3.4. Step 4: Selection of impact indicators

What indicates changes in the project context? What reveals which impact hypotheses materialise? Indicators not only represent components of a project context; they are also a means of communication between stakeholders. Thus they must be selected jointly. On the one hand, it is recommendable to have a set of indicators determined as early as possible, as this helps establish a baseline (reference), particularly for long-term observations. On the other hand, there are good reasons to take time with the selection. For example, the project context and the stakeholders cannot be well known and understood in the beginning. During the lifetime of a project, the context and the views of the stakeholders change, and so may the indicators. This is important because it documents the learning process of a project and its stakeholders. Some of the initially selected indicators may become impractical to observe and need to be replaced. Furthermore, unexpected impacts may require additional indicators at a later stage. Therefore, the selection of impact indicators cannot be done in just one planning workshop exercise. Several months should be dedicated to a participatory search for a meaningful and manageable set of impact indicators.

Later, when assessing the results of monitoring (Step 6), changes in the indicators will be discussed and evaluated. This is a process of individual judgement that will reveal many different opinions. For this reason it is helpful as early as the stage of indicator selection for stakeholders to develop a rating for each indicator (e.g. from 5: “change is considered very good”, to 1: “change is considered very bad”).

3.5. Step 5: Development and application of impact monitoring methods

Which monitoring methods are applicable, given the means and capacities of the project? How can methods best be combined? There are usually several ways and methods for monitoring a parameter or indicator. The stakeholders have to determine the quality of the information obtained. If highly accurate (scientific) data are required, it is assumed that a project will call upon specialists who apply their own methods. In the event that development projects do not have the capacity and resources to apply sophisticated methods, there are cost-effective monitoring tools that can be handled in a flexible way by project staff themselves. However, if the budget for monitoring is low, methods cannot be highly accurate. Therefore, the principle of triangulation can be used with the following methods to combine reliability with participation.

- **Interviews and discussions** with specific local stakeholders are the basis for IMA. The information obtained will be influenced by individual perceptions and the different (often hidden) agendas of the stakeholders. Information can always be cross-checked through interviews with other stakeholders. Particularly visible improvements or deteriorations can be cross-checked with photo-monitoring and during participatory transect walks.
- **Photo-monitoring** provides an overview of visible changes in the project context. But photos require interpretation and further investigation of the background. This can be done through interviews and discussions, or during participatory transect walks.
- **Observations** made and discussed during a **participatory transect walk** provide a more detailed view of biophysical, social and economic issues. A transect walk also highlights spatial interrelations, such as soil degradation, nutrient, water and energy flows, etc. Discussions often start with visible aspects but can ultimately include links with invisible aspects. A transect walk is an excellent opportunity to identify local impact indicators. The impressions gained can be cross-checked with interviews and photo-monitoring.

3.6: Step 6: Impact assessment

How did the context change in the eyes of different stakeholders? What did they learn from these changes? Changes in the project context can first be visualised using the selected impact indicators and their ratings (Figure 4). These changes can be regarded as the result of social processes, i.e. interactions between individuals or groups, involving learning, adaptation, communication, decision, integration etc. The project “only” tries to trigger or strengthen these processes with its outputs. For example, any new technology must be utilised and adapted or rejected by stakeholders; members of a society communicate their experience and learn from it; when the biophysical environment or the economic situation changes, people adapt their perceptions and react accordingly.

The following questions are relevant at the project level:

- Do stakeholders recognise changes since the inception of the project activities?
- What did stakeholders learn from these changes (learning as a social process and short-term impact that stimulates other processes such as adaptation, innovation, etc.)?
- Have project outputs stimulated these changes and social processes (plausible relations between the project, social processes and changes in the context)?
- Are these processes likely to help reach development goals (processes to be specifically strengthened in future)?

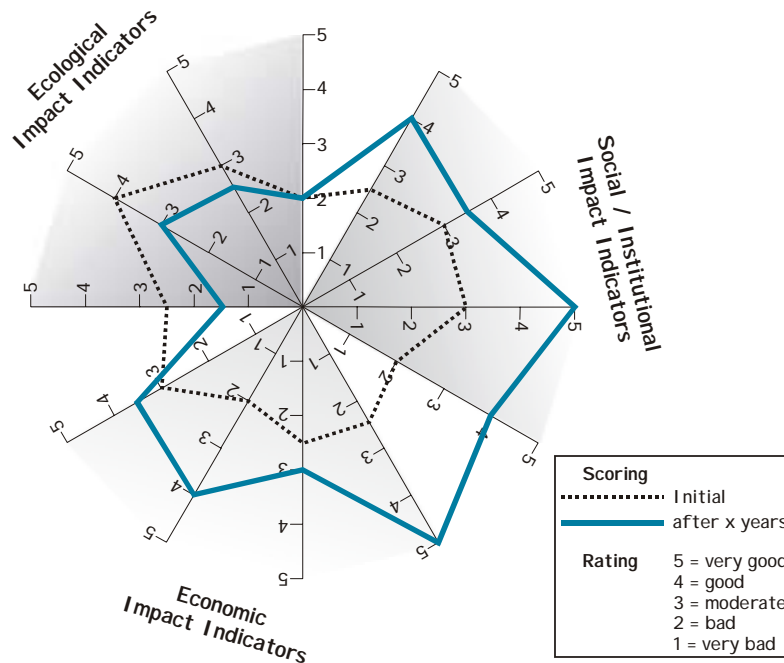


Figure 4: Visualising changes in the project context

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