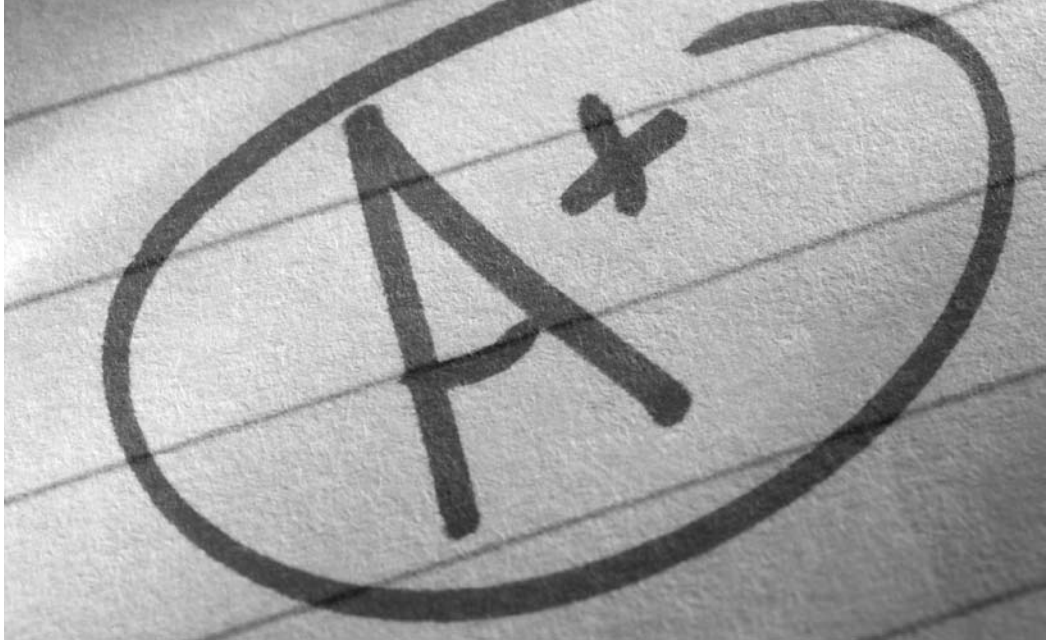

# DOING BETTER AT LEARNING
## Impact Evaluation for Development

By Jessica Gottlieb, Program Coordinator Center for Global Development

Bilateral assistance has doubled in the past five years, but has our learning about what works in development kept pace? Do we know a lot more today about the impacts of different social and economic programs in developing countries? Few observers would say we do. Virtually all of the focus in development aid has been on doing (disbursing funds and getting programs up and running) and not on learning (finding out whether interventions are making as big a difference or saving as many lives as hoped).

But there are hints that a new trend is emerging. Leaders in developing countries and donor agencies are recognizing the systematic failure to learn and are beginning to respond. The motivation for this change is a growing frustration about not knowing what works. As Timothy Thahane, Lesotho's Minister of Finance, explained, "There is increasing frustration among us in developing countries about the prescriptive 'fads' about what works and what improves the quality of life for all people sustainably."

As noted by the Center for Global Development's Evaluation Gap Working Group, "[The] shortcomings in our knowledge of the effects of social policies and programs reflect a gap in both the quantity and quality of impact evaluations." Impact evaluations measure the net effects of a particular intervention (adult literacy programs, HIV prevention efforts and microfinance, e.g.) on key social outcomes such as women's employment, morbidity and mortality or household income. Yet there will be a persistent shortage of impact evaluations unless specific new efforts are undertaken.

Impact evaluations can be expensive and technically challenging because they study which observed impacts can be attributed to a particular intervention and not other factors. The knowledge they generate is a public good, which can be useful for many decision-makers beyond those involved in the design and implementation of a particular program. For that reason, no individual program manager or funding agency has incentive to invest sufficiently in them. Importantly, impact evaluations must be built into project design. Yet when programs start up, other priorities garner a greater share of the available resources and attention. As Gloria Rubio from Mexico's Ministry of Social Development points out, "Incentives exist to spend funds allocated at the beginning of the year by the year's end in whatever way possible." Despite these disincentives, with the right combination of leadership, funds and focus, impact evaluations can be done.

Mexico's Progresa program illustrates the feasibility and power of evaluating the impact of social programs. Implemented with a double mandate to reduce poverty and to learn about the effectiveness of a new intervention, Progresa started giving conditional cash transfers to women in 1997 with a built-in impact evaluation component. The rigorously designed evaluation revealed that Progesa significantly raised rates of secondary school enrollment and improved child and adult health through increased use of health services. This clear evidence of impact not only helped program designers improve the program, but also played a critical role in helping it survive the transition from the Zedillo administration to the Fox administration with only a name change from Progresa to Oportunidades. Today, condi-

***Generating knowledge about whether a program achieved its basic aims requires impact evaluation, which analyzes and documents the extent to which changes in the well-being of the target population can be attributed to a particular program or policy. Such evaluation tries to answer the question: "What difference did this program make?"***

***Impact evaluation asks about the difference between what happened with the program and what would have happened without it. For example, "Are children staying in primary school and learning more than they would have without this particular curriculum or teaching innovation?" This difference is the impact of the program.***

tional cash transfer programs are multiplying throughout neighboring countries, in large part because of the rigorous impact evaluation that accompanied Mexico's intervention. Spurred by the demonstrated impact of the Progresa study and the influence of visionary leadership in government, Mexico has passed legislation and formed a new national council to promote the use of impact evaluations in future social programs.

Impact evaluations are gaining attention. The World Bank's Development Impact Evaluation (DIME) initiative is a new effort to increase the number of Bank projects with impact evaluation components and improve staff capacity to design and carry out such evaluations. A network of donor evaluation constituencies has created a joint task force to address the challenge of producing more and better impact evaluations. Called the Network of Networks for Impact Evaluation (NONIE), this initiative aims to coordinate and promote impact evaluations among the organizations within its three component networks: bilateral development agencies, multilateral development banks and UN agencies. It plans to develop guidelines and create an online impact evaluation resource to support studies by NONIE members.

But it is not just development agencies that are seeking to change behavior when it comes to learning about development programs. Leaders in developing countries are also looking for change. Margaret Kakande from Uganda's Ministry of Finance, Planning and Economic Development said it best: "Countries know where they want to be, but they may not know the best way of getting there. We would like to see the development of a new institution which can help us generate and use impact evaluation findings and help build capacity within our country to develop evidence and answer some of our enduring questions."

One response to this demand is a new initiative to coordinate and fund new impact evaluations among both donors and developing countries. In discussions concerning the findings of the Center for Global Development working group report, a set of leading governments of low- and middle-income countries, donor agencies, philanthropic foundations and non-state organizations concluded that a new entity should be established to channel funds to high-quality, independent impact evaluations around key questions that confront policy-makers.

The provisionally titled International Initiative for Impact Evaluation (3IE) aspires to initiate a collective process of selecting enduring questions about how to improve social and economic development programs, identify programs that represent opportunities for learning about those questions, adopt quality standards, finance the design and implementation of impact evaluations, prepare syntheses of the knowledge generated, advocate for the use of this evidence, share and disseminate information and promote mutual capacity development.

3IE membership will be voluntary and comprised of organizations that fulfill a set of minimum obligations including the commitment of funds, participation in governance and sharing information and impact evaluation data. Members will help set the enduring questions agenda, receive priority for funding and technical review services, and enjoy better access to coordinate with and learn from other members conducting impact evaluations. Member institutions can be ministries or public agencies (bilateral, multilateral), private non-profit institutions or non-state organizations that finance or implement social and economic programs in low- and middle-income countries committed to the 3IE mission. The countries and agencies involved in designing 3IE have done so with the aim of making it feasible and attractive for such institutions to join. Members are expected to confirm their commitments to 3IE over the next several months while leadership and a host institution are recruited.

As more funds become available to answer key questions about what works in development, new opportunities will arise for NGOs in rich and poor countries to participate in furthering the learning process. As more evidence from studies is produced, civil society will take a lead role in ensuring that the findings are communicated to policy-makers and program designers in order to improve social and economic development interventions. The hope is that within five years this focus on learning through better impact evaluation will embody a new approach in development assistance that combines the good will to improve the lives of the poor with the resources to find out how best to do it.

## MYTH VS. FACT

### It is commonly held that impact evaluations:

- Tell us little we do not already know about social programs. But good studies can avoid costly mistakes and prevent doing harm.
- Are not needed to demonstrate success. But good studies can identify successes even under adverse circumstances, where success means doing less badly.
- Are not necessary to know which programs work. But good studies distinguish real successes from apparent successes.
- Cannot address important issues. But current methods can answer questions that are important to social policy decisions.
- Cannot be ethically implemented. But ethical issues can indeed be managed.
- Are too costly. But ignorance is more expensive than impact evaluations.
- Produce results too late to be useful for decision-makers. But impact evaluations can provide timely information.
- Do not provide important information about how programs operate. But impact evaluations complement other studies; they do not replace them.
- Are too complex and do not influence policy-making. But findings from impact evaluation can be simple and transparent.

Source of information in this box and pull-quotes: Savedoff, William D., Ruth Levine and Nancy Birdsall, *When Will We Ever Learn? Improving Lives through Impact Evaluation*. A Center for Global Development Working Group Report. Washington, DC (2006).