



Evaluation Strategy

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Acronyms

	English	Indonesian
Bappenas	Ministry of Planning and Development	Kementerian Perencanaan Pembangunan Nasional
DFAT	Department of Foreign Affairs and Trade	
GoA	Government of Australia	Pemerintah Australia
Gol	Government of Indonesia	Pemerintah Indonesia
JKN	National Health Insurance	Jaminan Kesehatan Nasional
Kemensos	Ministry of Social Affairs	Kementerian Sosial
KIS	Indonesian Health Card	Kartu Indonesia Sehat
KOMPAK	Governance for Growth	Kolaborasi Masyarakat dan Pelayanan untuk Kesejahteraan
KSI	Knowledge Sector Initiative	
M&E	Monitoring and Evaluation	
MAHKOTA	Towards a Strong and Prosperous Indonesian Society	Menuju Masyarakat Indonesia Yang Kokoh Sejahtera
MAHKOTA-CT	MAHKOTA-Core Team	
MAMPU	Empowering Indonesian Women for Poverty Reduction	Maju Perempuan Indonesia untuk Penanggulangan Kemiskinan
MEQA Team	Monitoring Evaluation and Quality Assurance Team	
OECD-DAC	Organisation for Economic Cooperation and Development – Development Assistance Committee	
ODI	Overseas Development Institute	
PRSF	Poverty Reduction Support Facility	
PSD	Poverty and Social Development Section	
Raskin	Rice for the Poor	Beras untuk Rakyat Miskin
SLRT	Integrated Referral System (IRS)	Sistem Layanan Rujukan Terpadu
Susenas	National Socioeconomic Survey	Survei Sosial Ekonomi Nasional
TNP2K	National Team for the Acceleration of Poverty Reduction	Tim Nasional Percepatan Penanggulangan Kemiskinan
TNP2K-S	Secretariat of the National Team for the Acceleration of Poverty Reduction	Sekretariat Tim Nasional Percepatan Penanggulangan Kemiskinan
UDB	Unified Database	Basis Data Terpadu (BDT)

Definitions

Contextual Monitoring	A monitoring process that tracks significant changes in the broader operating environment/sector, including policy, regulation, structural and programmatic changes.
Contribution	The improvement or benefit a program or intervention makes to the achievement of a program outcome or goal.
Disability	MAHKOTA defines disability in accordance with the Convention on the Rights of Persons with Disabilities: 'persons with disabilities include those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others.' The Convention explicitly recognises the importance of social protection in enhancing the wellbeing of people with disabilities. In Article 28 it stipulates that states should: 'Ensure access by persons with disabilities, in particular women and girls with disabilities and older persons with disabilities, to social protection programs and poverty reduction programs.'
Effectiveness	The extent to which a program or initiative is successful at achieving an outcome or result.
Efficiency	Increasing output for a given input, or minimising input for a given output, with a regard for maintaining quality (DAC, 2012).
Evaluation	The systematic and objective assessment of an on-going or completed project, program or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision making process of both recipients and donors. Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed development intervention (DAC, 2002).
Facility	A program modality characterised by a pool of unallocated funds used to fund a series of activities that contribute to the objectives/outcomes of the program. Facilities are 'flexible', allowing the program to respond to emerging priorities and needs of the partner government. As such, activities are designed as they emerge.
Gender	The social attributes and opportunities associated with being male and female. These attributes and opportunities are socially constructed, context- and time-specific and changeable. Gender determines what is expected, allowed and valued in a woman, man, boy or girl in a given context.
Impact	Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended (DAC, 2002).
Impact evaluation	An assessment of the changes that can be attributed to a particular intervention, such as a project, program or policy, both the intended ones, as well as ideally the unintended ones. An impact evaluation seeks to answer cause-and-effect or contribution questions, i.e. it looks for the changes in outcome that can be attributed to an intervention.
Initiative	In MAHKOTA, a cluster of activities focused on achieving a shared outcome. An initiative can involve multiple implementation teams, undertaking activities that contribute to the overall initiative outcome.
MAHKOTA	MAHKOTA, Towards a Strong and Prosperous Indonesian Society, is the name of DFAT's primary social protection investment, managed by the Cardno consortium and implemented primarily with the TNP2K Secretariat.
MAHKOTA Core Team (MAHKOTA-CT)	The program and operations team representing the Cardno Consortium and headed by the MAHKOTA Team Leader.

Monitoring	A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds (DAC, 2002).
Outcome	The likely or achieved short-term and medium-term results of an intervention's outputs (DAC, 2002).
Outcomes Harvesting	An evaluation approach that aims to determine to what extent an intervention/initiative has contributed to a particular outcome (such as policy change).
Output	The tangible results (products, capital goods and services) of project implementation that are under the direct control of project managers.
Partners	In MAHKOTA, partners are DFAT, TNP2K-S and the MAHKOTA-CT. Broader partners can include other government ministries including Bappenas and Ministry of Social Affairs.
Program	A broad package of support comprised of sub-activities or streams of work that share a common goal or vision. MAHKOTA is described as a program that operates as a facility.
Quality Assurance	In MAHKOTA, the process applied at the initiative concept and design phases to ensure that initiatives are the highest priorities for the sector, align with the goal and end-of-program outcomes for MAHKOTA, have designs that suit their objectives and reflect relevant lessons learned and best practices for the sector, address those most in need – especially girls, women and people with disabilities, and result in changes that are sustainable.
Social Protection	A system of regular and predictable transfers, in cash or in kind, that aim to provide people with income security. Social protection schemes are usually divided into two types: tax-financed transfers and social insurance transfers. Synonymous with Social Security (note that social protection is sometimes used by other actors as synonymously with social assistance). In MAHKOTA, Social Protection does not include health insurance schemes.
Steering Committee	Is MAHKOTA's highest governance body, co-chaired by the Executive Secretary of TNP2K and DFAT Minister Counsellor. The Steering Committee approves the annual work plan and sets the strategy direction for the program.
Sustainability	Whether the benefits of an activity are likely to continue after donor funding has been withdrawn (DAC, 2000).
Technical Assistance	Support provided in the form of technical advice, guidance, training or assistance through long and short-term advisors and consultants.
Technical Committee	Is a governance body co-chaired by the TNP2K-S Chief of Policy and DFAT First Secretary. The Technical Committee primarily reviews and approves implementation plans and budgets.
Theory of Action	Outlines how stakeholders will create the changes/outcomes described in the Theory of Change.
Theory of Change	An explanation of how a program or initiative will bring about change. A Theory of Change identifies the types of inputs, activities and outputs a program expects to complete in order to contribute to or achieve a series of short, medium and long-term outcomes.
TNP2K	TNP2K, the National Team for the Acceleration of Poverty Reduction, is a coordinating body comprised of 15 line ministries headed by the Vice President.
TNP2K Secretariat (TNP2K-S)	The TNP2K Secretariat is the team of technical staff implementing initiatives, providing advice to the Government and reporting to the TNP2K Executive Secretary.

Value for Money	The optimum combination of whole-life cost and quality (or fitness for purpose) to meet the user's requirement. It can be assessed using the criteria of economy, efficiency and effectiveness (DAC, 2012).
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Executive Summary

MAHKOTA (Towards a Strong and Prosperous Indonesian Society) is an AUD62 million, Australian Government-funded program supporting the Government of Indonesia (GoI) to improve its social protection system. At the time of writing, the program was in the process of being extended by two years to November 2021.

A key feature of MAHKOTA is that support to GoI is primarily provided through the Secretariat of the National Team for the Acceleration of Poverty Reduction (TNP2K-S). With support from MAHKOTA, TNP2K-S functions as a think tank to inform and influence social protection policies and programs. MAHKOTA also supports other parts of GoI, including the Ministry of Social Affairs and the Papua Provincial Government.

The purpose of this evaluation strategy is to assist program stakeholders identify and prioritise program information needs and how these needs can be met through well-timed and properly resourced evaluations. The timeframe for this Strategy is January 2019 to November 2021 which incorporates the final 12 months of Australian support to TNP2K-S (January to December 2019), and the period after (to November 2021), where ongoing Australian support to TNP2K-S or its successor remains undecided.

This Strategy outlines MAHKOTA's revised theory of change, including related assumptions and contextual considerations, which has been streamlined to focus on increasing coverage and access to social protection in the Indonesian context. The theory of change also incorporates social protection-complementary contributions that directly support MAHKOTA's projected impact of inclusive and sustainable economic growth. MAHKOTA's intermediate outcomes and its theory of action are targeted towards improving the three key components of GoI's social protection system: policies, programs and institutions.

Given how rapidly evaluation needs can change, especially with program and political changes to take place within the Strategy timeframe, this Strategy includes a framework to assist program stakeholders to decide which information needs, program logic assumptions and contextual changes, should be evaluated. This framework is based around three interconnected principles – evaluations must: 1) provide useful information; 2) be undertaken at the right time; and 3) be focused on the right parts of the change process that the investment supports. Based on this framework, MAHKOTA's evaluations will progressively broaden in their scope (from initiative-level to program-level and ultimately to context); and become more focused on evaluating impact for accountability and reporting purposes.

The MAHKOTA M&E Team will be responsible for overseeing the implementation of this Strategy. Specifically, the MAHKOTA M&E Team will either lead, manage or support evaluations; ensure the quality of these evaluations (to DFAT's evaluation standards); disseminate the knowledge produced from the evaluations; and ensure that there is proper follow up on evaluation recommendations. Additional short-term staff will be hired to support the MAHKOTA M&E Team to do this.

1 Background

1.1 About MAHKOTA

MAHKOTA (Towards a Strong and Prosperous Indonesian Society) is an AUD62 million, four-year program funded by the Australian Government to support the Government of Indonesia (GoI) to improve its social protection system. MAHKOTA operates as a flexible facility that responds to GoI priorities, provides top Indonesian and international expertise as well as allows GoI to attempt innovative policy reforms and initiatives. At the time of writing, MAHKOTA was preparing an updated design document for a two-year program extension to November 2021.

A key feature of MAHKOTA is that support to GoI is primarily provided through the Secretariat of the National Team for the Acceleration of Poverty Reduction (TNP2K). TNP2K was established in 2010 under Presidential Regulation 15/2010 on the Acceleration of Poverty Reduction (since updated by Presidential Regulation 96/2015). TNP2K is a coordinating body under the purview of the Vice President that coordinates poverty reduction efforts across 16-member ministries and agencies. With support from MAHKOTA, the TNP2K Secretariat (TNP2K-S) functions as a think tank that designs and implements initiatives such as research, evaluations, and pilot projects with the intention of informing and influencing social protection and poverty reduction policies.

MAHKOTA also works with other ministries and sub-national governments, including the Ministry of Social Affairs and the Papua Provincial Government.

1.2 About this Strategy

The purpose of this evaluation strategy is to help program stakeholders¹ identify and prioritise program information needs and how these needs can be met through well-timed and properly resourced evaluations.²

The timeframe for this Strategy is January 2019 to November 2021. This timeframe incorporates the final twelve months (January to December 2019) of Australian support to TNP2K-S, and the period after, where ongoing Australian support to TNP2K-S or a successor institution remains undecided.³ Importantly, the timeframe of this strategy also incorporates MAHKOTA's two-year extension period (November 2019 to November 2021) where new management and governance arrangements maybe implemented, and new initiative modalities employed.

Unlike MAHKOTA's monitoring approaches⁴ which are systemic and can adapt to the changing nature of the program, evaluations are more targeted. As significant investments in time and money, evaluations require clarity around what information needs/gaps they are to address. Given the uncertainty and potential changes during MAHKOTA's extension, the information needs of program stakeholders are likely to change too. As such, this Strategy will guide program stakeholders on how to meet their information needs through evaluation.

¹ Including DFAT, MAHKOTA Steering and Technical Committees, and MAHKOTA Senior Management.

² Evaluation in this strategy is defined as "systematic and objective assessment of an ongoing or completed investment, program or policy".

OECD (2010). Glossary of Key Terms in Evaluation and Result Base Management. Available from: <https://www.oecd.org/dac/evaluation/2754804.pdf>

This can include rapid reviews on initiative implementation, large-scale impact evaluations, evaluative studies on policy contributions and all other assessments that require methodological-based data collection and analyses to inform program implementation and reporting.

³ See MAHKOTA's 2018-19 Design Update for more information.

⁴ See MAHKOTA's updated Monitoring and Evaluation Plan, approved by DFAT in 2018.

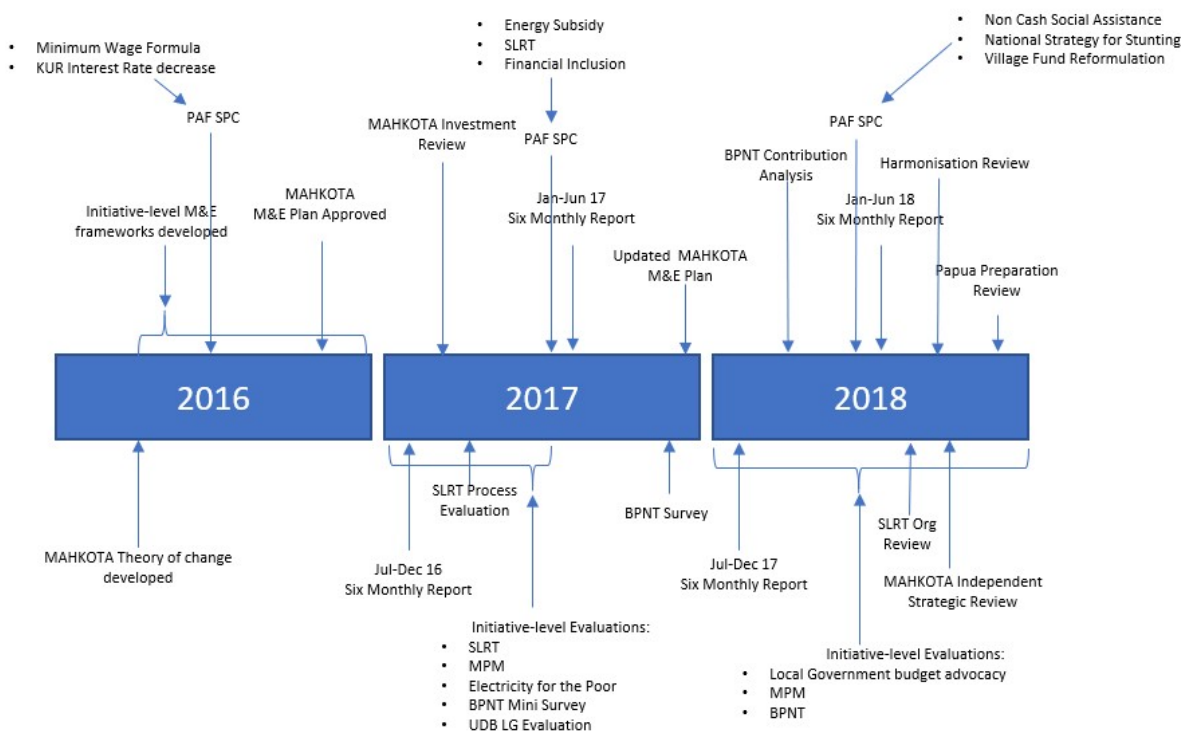
This Strategy does not pre-define the evaluations that should be undertaken over the three-year period. Rather, it provides a framework that allows program partners to determine what evaluations to undertake based on information needs and timing within the program.

This evaluation strategy is based on MAHKOTA's revised theory of change⁵ for the extension period (see section 2) and incorporates related assumptions and contextual considerations as well as MAHKOTA's updated theory of action (see sections 2.1-2.3). These theories have two key purposes - they provide:

1. A framework to determine the scope and/or thematic focus of future evaluations; and
2. A counterfactual/point of comparison for future evaluations to assess MAHKOTA's contributions and ways of working.

As seen in Figure 1, this Strategy rests on a solid foundation of evidence already built by the MAHKOTA Core Team (MAHKOTA-CT) in collaboration with TNP2K-S and other implementation teams. This has included the development of initiative-level evaluation frameworks, multiple initiative-level reviews and evaluations, independent reviews to inform management decisions, and evaluative studies to assess contribution towards significant policy changes.

Figure 1: Timeline of MAHKOTA's Existing Evidence Base



Additionally, this strategy has also been developed based on:

- Research on theoretical frameworks that reflect the changes MAHKOTA is trying to create;
- Consultations with DFAT to update MAHKOTA's theory of change; and
- Consultations with implementation teams through the MAHKOTA M&E community of practice to map their existing and planned evaluation activities.

⁵ Note: Until November 2019, MAHKOTA's existing Theory of Change, comprised of five outcomes streams to capture the breadth of TNP2K-S's work will be used in regular monitoring activities and reporting.

2 MAHKOTA's Theories for Change

MAHKOTA's goal is "a comprehensive and equitable social protection system for whole of Indonesia by 2025". *System* in this context refers to the policies, programs and institutions that guide and implement Indonesia's social protection sector. This has been MAHKOTA's goal since 2015 and remains relevant for the program extension until 2021.⁶ This goal is expected to contribute to the intended impact of inclusive and sustainable economic growth. This impact statement has been added to MAHKOTA's revised theory of change (see Annex A).

Despite maintaining the same goal, MAHKOTA's theory of change, will be consolidated from six end-of-facility outcomes⁷ to three end-of-facility outcomes (also referred to as outcome streams – see Figure 2). This revision will provide greater thematic coherence to the program and be used to determine MAHKOTA's investments during the extension.⁸

The two primary outcome streams in the revised theory of change are:

1. **Effective coverage of inclusive social protection and productive inclusion**, which incorporates: increased social protection budget allocations by national and local governments; the expansion of existing social protection and productive inclusion programs; improved effectiveness of existing programs and implementation of new programs; as well as the development of new, more inclusive, social protection programs (for example, social protection for the elderly and people with disabilities).
2. **Improved access to inclusive social protection**, this includes updating of Indonesia's poverty targeting database; reduced exclusion error in programs; and effective referral mechanisms for people who need social protection. This is known as MAHKOTA's "data" stream.

Both of these outcome streams featured in the original MAHKOTA theory of change and represent the majority of MAHKOTA's work and investment to date.

MAHKOTA's revised theory of change recognises that not only do investments in social protection and productive inclusion contribute to inclusive economic growth, but these investments also allow governments to undertake adjacent work, such as subsidy and labour reforms, that directly support inclusive and sustainable economic growth. As such MAHKOTA's third outcome stream allows the program to flexibly respond to government requests that directly support inclusive and sustainable economic growth outside of, but complement, social protection and productive inclusion.

As reflected in Figure 2 and in MAHKOTA's goal statement, at the heart of MAHKOTA's theory of change is its intermediate outcome contributions to improving:

- Policies: the formal instruments that are negotiated and passed into law or issued by an executive government;
- Programs: the schemes that governments fund and implement to benefit society; and
- Institutions: the Government bodies, including national and sub-national ministries and agencies that implement policies and programs.

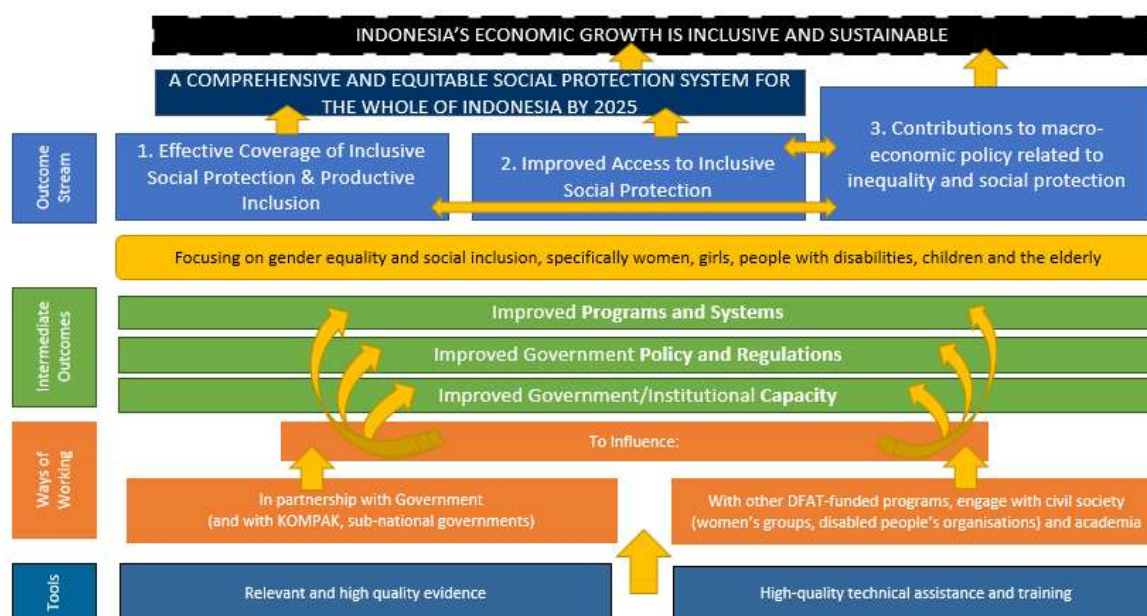
⁶ The goal remains relevant based on MAHKOTA's contextual monitoring of the poverty sector. Social protection has been a focal point for significant reforms and program expansions under the Widodo administration, and will likely be a key policy plank in the poverty reduction and/or economic growth strategies of both Presidential nominees.

⁷ MAHKOTA's original outcome streams were: 1. Increased coverage and access to social protection; 2. Improved policies, programs and government capacity; 3. Increased access to employment and income generation; 4. Increased access to health services; 5. Increased financial inclusion; 6. Contributions to reducing poverty and inequality.

⁸ One of the principles to guide MAHKOTA's initiative-level investments will be that initiatives need to contribute to MAHKOTA's revised theory of change.

These intermediate outcome contributions⁹ are consistent across MAHKOTA's three outcome streams and reflect that the outcome streams provide MAHKOTA's thematic areas of focus, and the intermediate outcomes are the parts of the social protection system that MAHKOTA looks to influence and improve.

Figure 2: Summary of MAHKOTA's Theory of Change



MAHKOTA's ways of working are focused on developing and using high quality evidence, technical assistance and training in partnership with Government and other actors to advocate and influence policies, programs as well as build capable institutions. These ways of working have their roots in theory and research which have informed MAHKOTA's theory of action (discussed in detail in Sections 2.1-2.4). The assumptions underlying these ways of working include motivation and an enabling environment that allow new capacity to be used for improved performance of TNP2K-S and the social protection system in Indonesia.

Importantly, MAHKOTA's theory of change is focused on *inclusive* and *equitable* social protection and economic growth. This highlights the program's ongoing commitment to gender equality and social inclusion (GESI). MAHKOTA's 2018 GESI Strategy focuses on four vulnerable groups: girls/women, children, people with disabilities and the elderly. The program's focus on GESI is an investment principle that will guide MAHKOTA's work areas and its program partners, including civil society organisations through MAMPU and Peduli.

2.1 Theories for Policy Change

MAHKOTA's policy work is focused on creating new policies to make Indonesia's social protection system more inclusive, and/or reforming parts of the system so they are more effective and efficient.

⁹ As a facility, MAHKOTA's investments *contribute* to the end of facility outcomes. This recognises that MAHKOTA's initiatives do not "add up" to the achievement of a whole outcome.

Stachowiak¹⁰ outlines ten theories on policy change, including five ‘global’ theories on how policy change occurs and five ‘tactical’ theories for advocacy. These theories, although coming from different scientific disciplines, share common themes to explain how policy change takes place. For example, policy change happens when:

- The conditions are right: when a window of opportunity opens and connects different and necessary parts of the policy process;¹¹
- Working directly with those in power, including policy makers or influential individuals;¹²
- Collective action amongst individuals and groups that share the same values and policy beliefs is coordinated;¹³
- An issue has caught the attention of the public, media or decision makers;¹⁴
- Advocacy messages are compelling and lead to increased awareness on the policy/program issue.¹⁵

MAHKOTA recognises that policy change is not a linear process, and that the same approach that worked for one policy change, may not be appropriate or transferrable to another policy. Nevertheless, MAHKOTA’s theory of action (section 2.4) has been informed by these common themes harvested from Stachowiak.

2.2 Theories for Program Change

MAHKOTA’s work on program change is primarily focused on testing innovations through pilot/demonstration projects for potential scale up.¹⁶ Such pilots either test new processes/mechanisms for existing programs, or complete new program approaches. Because pilots are learning opportunities, evaluative studies to understand why change happened, or if not, why not, should be integral to their design, resourcing and implementation.

There are multiple frameworks/theories for innovation scale up, including two much-cited approaches developed by the Wolfensohn Center for Development at Brookings (and later applied by the International Fund for Agricultural Development – IFAD), and Management Systems International (MSI). Both these approaches have been assessed by Cooley and Linn¹⁷ in an attempt to synthesise their processes and document their application, including lessons learned. More recently, Clear Horizon with the Australian Centre for Social Innovation (ACSI)¹⁸ have developed an innovation

¹⁰ Stachowiak, S. 2013. Pathways for Change: 10 Theories to Inform Advocacy and Policy Change Efforts. Centre for Evaluation Innovation

¹¹ Large leaps/Punctuated equilibrium theory; and Policy Windows/Agenda Setting Theory.

¹² Power politics/Power elites theory; and Regime Theory.

¹³ Coalition theory/Advocacy coalition framework; Grassroots/Community organizing theory; Group formation/Self-categorisation theory; Diffusion theory/Diffusion of innovations.

¹⁴ Large leaps theory; Coalition theory; Media influence theory.

¹⁵ Large leaps theory; Media influence theory; Group formation.

¹⁶ Note: Whilst MAHKOTA also supports improvements to program delivery for improved effectiveness/performance, including program management processes such as strategic planning, budgeting, monitoring and evaluation, the literature indicates that the success of these efforts is mostly up to institutional capacity and culture. This is discussed in more detail in section 2.3.

¹⁷ Cooley, L., & Linn, J. (2014). Taking Innovations to Scale: Methods, Applications and Lessons. Available from: https://www.usaid.gov/sites/default/files/documents/1865/v5web_R4D_MSI-BrookingsSynthPaper0914-3.pdf

¹⁸ Clear Horizon. (2017). Design and Evaluation – We’re Better Together. Available from: <https://www.clearhorizon.com.au/all-blog-posts/design-evaluation-we-re-better-together.aspx>

Pakula, B. (2018). Pilots to Scale Information Session. Presentation delivered to Australian Embassy and contractors on 27 September 2018.

framework that outlines how monitoring and evaluation can be complemented with design to inform innovation scale up.

MAHKOTA's analysis of these frameworks has highlighted some common threads and lessons learned from their application, including:

- Scaling up innovations requires certain conditions, such as “drivers” that push the scaling up process forward (including visionary leaders, incentives and external catalysts), and “spaces” that allow interventions to grow (including fiscal space, policy space and institutional capacity).
- Rigorous monitoring and evaluative studies are needed to produce hard data and other forms of credible evidence that, in addition to assessing impact, also monitor the pre-conditions for successful scaling up. Feedback loops are important for learning, as such, monitoring systems and evaluative studies that facilitate learning amongst relevant stakeholders needs to be built in from the beginning.
- Innovation design, learning and scaling up are separate, but linked processes that require their own process, skills, and resources. The processes and resources needed for going to scale are different to those for implementing a successful pilot.

The similarities and key lessons from the three approaches have been used to inform MAHKOTA's theory of action in section 2.4.

2.3 Theories for Institutional Change

MAHKOTA's key focus towards institutional change is that of improving technical capacity of institutions to ultimately perform better at developing and/or implementing policies and programs. Institutions in MAHKOTA's case, refer to government agencies at various levels, including at the national and sub-national levels. Capacity is defined as the capability of an institution to set and achieve its goals through its knowledge, skills, systems, people and institutions. Performance is the efficient and effective delivery of functions using new capacity in an enabling environment by people that are motivated to do things differently. Performance leads to the higher-level changes targeted by MAHKOTA, which requires more than just capacity building, and – because environment and motivation are mostly controlled by Indonesia – relies on effective partnerships for delivery.

Whittle and colleagues¹⁹ identify up to four institutional capacity building frameworks, each employing its own definition of capacity and approach. Despite the differences in these frameworks, there are common concepts, most of which, are captured in Potter and Brough's²⁰ pyramid of capacities. The pyramid of capacities identifies the internal building blocks of an organisation and what capacity blocks need to be developed before other capacities can be developed. At the base of the pyramid are an organisation's structures, systems and roles. These need to exist and be effective before staff and infrastructure, skills and tools, the remaining building blocks of the pyramid, can be addressed. Potter and Brough argue that capacities higher up in the pyramid (e.g. skills and tools) are the least complex to address, and those capacities at the base of the pyramid (e.g. structures, systems, roles, staff and infrastructure) are more complex because they address socio-cultural aspects in an organisation. Importantly, Potter and Brough highlight that capacity development is an iterative process as opportunities to address different blocks in the pyramid become evident. This theory has informed MAHKOTA's theory of action.

¹⁹ Whittle S., Colgan A. and Rafferty M. (2012). Capacity Building: What the literature tells us. Dublin: The Centre for Effective Services.

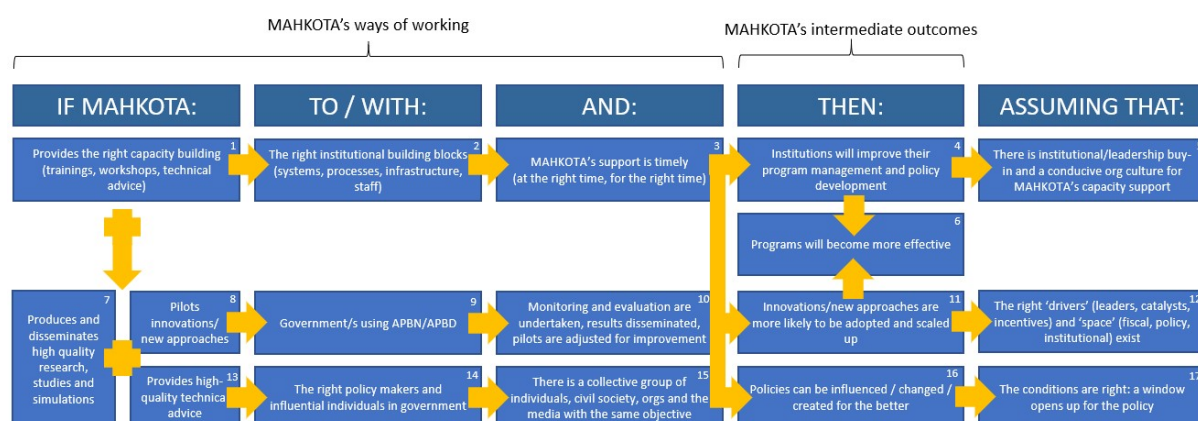
²⁰ Potter, C., & Brough, R. (2004). Systematic capacity building: a hierarchy of needs. Health Policy and Planning. Available from: <https://pdfs.semanticscholar.org/ea49/208b4878435c3ae3dd3451e0fd7de4a165b1.pdf>

2.4 MAHKOTA's Theory of Action

A theory of action identifies the ways in which a program will operationalise/implement its theory of change. As seen in MAHKOTA's theory of change at Annex A (and summarised in Figure 2), MAHKOTA employs several ways of working to meaningfully contribute to its policy, program and institutional outcomes. These ways of working are informed by the theories identified above and synthesised in MAHKOTA's theory of action, described below.

MAHKOTA's theory of action (see Figure 3) places institutional capacity (4) as the basic building block for program (6) and/or policy (11) improvement outcomes. This means that institutions need to possess a certain level of effective technical capacity, infrastructure and processes in order to achieve improvements to programming and policy. As such, in certain cases where MAHKOTA is providing program or policy support, it may also need to be combined with capacity building.

Figure 3: Summary of MAHKOTA's Theory of Action



MAHKOTA's capacity building support is varied and context-specific, depending on the institution and context. As such, MAHKOTA's theory of action is premised around MAHKOTA providing the *right* capacity building support (1) to the *right* institutional building blocks, including systems, processes, infrastructure and staff (2). Based on MAHKOTA's literature review on the assumptions underpinning capacity development, successful and sustainable capacity improvement is underpinned by strong leadership and an organisational culture that supports reflection and improvement.

With regards to program change (6), MAHKOTA's theory of action is based on MAHKOTA's flexibility to blend high-quality evidence (7) and relevant technical support for pilots on innovations/new approaches (8). As an investment principle, informed by MAHKOTA's first three years of monitoring and evaluation, MAHKOTA only supports pilots that are implemented by GoI and use GoI systems (including planning, budgeting and implementation systems). This increases government ownership and accountability for the results of the pilot, which, combined with the appropriate monitoring and evaluation support (10), increases the probability of a successful innovation being adopted by GoI. The underlying assumption is that there is sufficient political will, fiscal space and capacity to scale up the innovation (12).

In terms of improving policy, evidence (7), (generated through research, studies, M&E and simulations), is at the forefront of MAHKOTA's theory of action. Combined with high-quality technical advice to the right policy makers and influential individuals in government, this is expected to lead to policy change/reform (16). As outlined in MAHKOTA's research, policy change is more likely to occur if there is a collective group of people and organisations (including civil society), that advocate the same objective (15). As such, MAHKOTA works in partnership with civil society through other Australian-funded programs (such as MAMPU) to achieve this. Noting that policy change is not a linear process, the key assumption for this part of MAHKOTA's theory of action is that the conditions

for policy change are right, meaning that there is political will and leadership, amongst other variables (17). Such assumptions are important topics for evaluative studies.

3 Evaluation Approach

As seen in Figure 1, MAHKOTA-CT and implementation teams have undertaken a broad range of monitoring activities and evaluations from 2016 to 2018. The majority of these activities have been focused on setting up monitoring systems and evaluation processes – at both the program and initiative level, evaluating program performance and process, as well as assessing contributions to significant policy and program changes. As MAHKOTA approaches 2019, its evaluation approach will change in the following ways:

Continue to:

- Provide quality assurance of initiative-level evaluation activities;
- Evaluate the implementation of large and/or complex initiatives and pilots to ensure implementation meets best practices and produces lessons for use in the Indonesian social protection system;
- Harvest initiative-level data and contribution analyses to inform reporting to DFAT;

Shift from:

- Setting up and supporting the implementation of monitoring systems and evaluative studies (at the initiative and program-level);

Move towards:

- Evaluating MAHKOTA's theory of action to determine how successful the program's ways of working were;
- Evaluating pilots to learn lessons and refine social protection policies, strategies and approaches; and
- Undertaking more impact evaluations of multi-year initiatives and/or outcome streams.

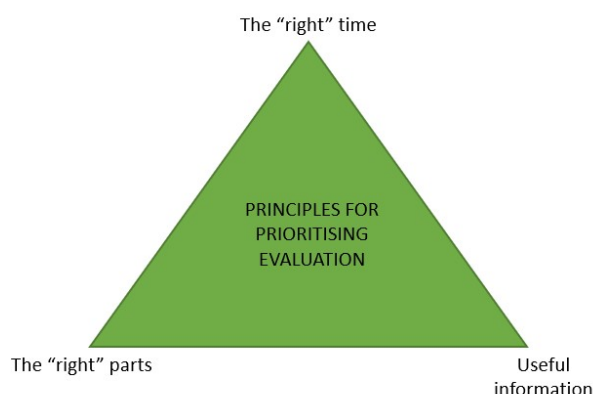
3.1 Guiding Principles: How to Prioritise Evaluations

With this evolving evaluation approach, including an increasing focus on impact evaluation, the scope of MAHKOTA's potential evaluation work is significantly broadened. As such, program partners are likely to have more evaluation needs and interests than there are resources to implement.²¹ In light of this, MAHKOTA has identified three principles (see Figure 4) to guide the prioritisation of evaluations:²²

²¹ MAHKOTA expects that these evaluation needs will be largely met through two types of evaluation: process/implementation evaluations that evaluate initiative implementation and how implementation can be improved; and impact evaluations that assess the change an initiative/program has had on specific outcomes and/or an initiative/program's contribution to that change.

²² This also recognises that this Evaluation Strategy does not specify which evaluations should be funded for the remainder of the program. This is because evaluation needs can change rapidly, especially with program and political changes to take place throughout 2019 likely to influence the information/evaluation needs of program stakeholders.

Figure 4: MAHKOTA's Three Principles for Prioritising Evaluation



MAHKOTA's evaluations will:

1. Capture the "right parts" of the investment:

As a facility, MAHKOTA works at three distinct investment levels: 1) initiative-level (contributing to intermediate outcomes); 2) outcome stream-level (contributing to end-of-facility outcomes); and 3) program level (contributing to impact). As such, this principle is about prioritising the right investment (and outcome) level to evaluate, (which by default, leads to the thematic focus of the evaluation). In addition, these implementation levels operate in a context, which should also be evaluated to test assumptions and understand contextual changes – both those affecting the program and those resulting from the program.

It is expected that towards November 2021, MAHKOTA's evaluations will gradually broaden their investment and outcome scope: from initiative-level evaluations, potentially focusing on improving implementation and initial impact; to broader outcome-stream evaluations that capture multiple initiatives contributing to an end-of-facility outcome; and then finally, a program-wide evaluation on MAHKOTA's contributions to its impact statement. Evaluations of context and related assumptions should be considered throughout implementation.

Under this principle, the "right parts" of the investment can include other thematic areas to evaluate, including:

- MAHKOTA's ways of working, including how successful the program was implementing its theory of action;
- MAHKOTA's investment and efforts on gender equality and social inclusion; and
- The context and related assumptions – both those affecting the program and those resulting from the program.

2. Produce "useful" knowledge:

Useful evaluations address specific information needs (especially critical information gaps and the lessons from pilot implementation of innovations) that can improve the performance of the program or demonstrate accountability for the resources used in the program.²³ Not all knowledge is equal, and different stakeholders will prioritise some types of knowledge over others, as such, it will be important for stakeholders to continuously discuss this. It is

²³ Note: Respected evaluator, Michael Quinn Patton, referred to "useful" evaluations as Utilisation-Focused Evaluations (UFE). UFE refers to an evaluation methodology based on the premise that the intended users of the evaluation are involved and make decisions about the evaluation process. Through their involvement in the evaluation, the evaluation is more likely to be useful and impactful. This evaluation strategy recognises UFE as *one of many* approaches and methodologies to producing useful evaluation information.

expected that over time, useful knowledge will move from evaluations that inform how to improve initiative/program-level implementation to evaluations that produce information for accountability and reporting purposes.

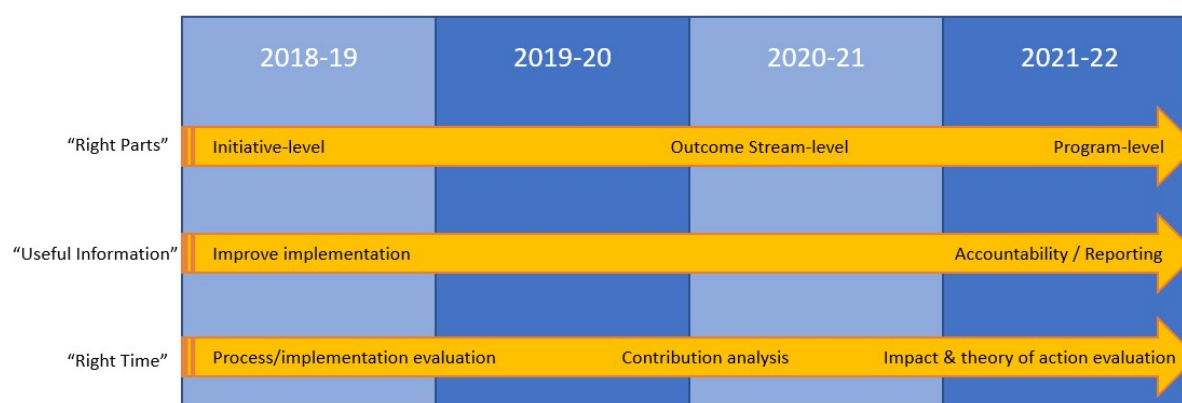
3. Be conducted at the “right time”:

This principle recognises that evaluations are time-sensitive. Not only do they add most value if they can inform time-critical decisions, but they also need to be conducted at the right time in the program/initiative cycle. For example, a process evaluation on a new initiative with two years implementation remaining is likely to be more useful than an impact evaluation. This principle also recognises that evaluations take time to conduct and, as such, will need their methodologies/approaches modified to suit time constraints, especially where they must inform time-sensitive decisions. Process evaluations for multi-year initiatives are more likely to be conducted in 2019, with contribution analyses and impact-type evaluations conducted in the latter part of the extension.

The application of these three principles is intended to guide resourcing for evaluations, whilst maintaining the flexibility of the program to respond to emerging information needs.

Based on these principles, Figure 5 loosely identifies the types of evaluations that could be undertaken through to November 2021, and Table 1 in Annex B identifies potential evaluation studies with rationales for resourcing.

Figure 5: Types of Evaluative Studies to be Undertaken to November 2021



3.2 Operationalising the Evaluation Strategy

The MAHKOTA M&E Team²⁴ will oversee the implementation of this Strategy across the three key phases of the evaluation cycle: prioritisation and identification; implementation; and use.

3.2.1 Evaluation prioritisation and identification

As part of the development of the Annual Work Plan, the MAHKOTA M&E Team will survey key program partners, including DFAT, TNP2K-S and MAHKOTA senior staff, about their information needs on management, contextual analysis, learning from pilots, and reporting. In doing so, the M&E Team will identify which of these information needs can be addressed through evaluations, including potential methodologies that are credible and offer value for money. The Steering Committee will consider MAHKOTA’s proposed (and costed) evaluation list through the Annual Work Plan. However, given the dynamic nature of the program, the MAHKOTA’s M&E team will need to retain flexibility to add/edit its annual evaluation list in consultation with DFAT.

²⁴ Comprised of the MAHKOTA Deputy Team Leader, M&E Advisor and M&E Officer

3.2.2 Evaluation implementation

The MAHKOTA M&E Team will manage evaluations through three key approaches:

1. **MAHKOTA M&E Team-led evaluations:** In these cases, the M&E Team will lead the data collection, analysis and reporting of the evaluation. This approach has been employed for previous evaluations, including contribution analyses of significant policy changes, and reviews of initiatives led by MAHKOTA (e.g. BANGGA Papua preparation review). This approach is more suited to evaluation methodologies that require a skill set that exist within the M&E Team and can take advantage of MAHKOTA's existing evidence base. The advantage of this approach is that the MAHKOTA M&E team has control over the quality of the evaluation. The team can also make effective use of the knowledge it develops through the evaluation process for future program management.
2. **Implementation Team-led evaluations:** Some initiatives may contain their own M&E resources/personnel where, depending on the purpose of the evaluation, it is preferable to have these staff be the evaluation lead/s. This approach offers the opportunity for relevant staff to learn more about their initiative and to see things from different perspectives. It is also more likely that the results and recommendations of the evaluation will be useful and followed up on. In these cases, the MAHKOTA M&E Team will fulfil an advisory and quality assurance role, ensuring that the evaluation design, its implementation and reporting meet the standards (see section 3.3) expected by the program.
3. **Independent Consultant-led evaluations:** Due to resourcing constraints within MAHKOTA and implementation teams, the highly technical nature of some evaluation methodologies, and, in some cases, the political nature or the need for independence on certain evaluation topics, it might be preferable for an independent consultant (or team of consultants) to lead an evaluation. In these cases, the MAHKOTA M&E Team will be responsible for recruiting these consultants, as well as quality assuring their outputs, including the evaluation design, data collection and reporting. Depending on the evaluation, MAHKOTA may also recruit relevant technical experts to peer review the final product.

3.2.3 Evaluation Use

The MAHKOTA M&E Team will ensure that knowledge produced from evaluations will be used as much as possible. This will include:

1. **Properly disseminating the report findings:** This will be done by identifying the key audiences and the key dissemination method/s. The audience will depend on the knowledge gap that the evaluation was attempting to address, and the dissemination method will depend on the audience being targeted. For example, it is more effective to present evaluation findings to high-level stakeholders in a PowerPoint presentation than a report. Current versions of this software enable a simple video slide show with narrative voice-over (in English and/or Bahasa Indonesia) which results in a compelling and useful resource for informing decision-makers.

In the absence of a MAHKOTA website, evaluation reports will be disseminated through email to targeted audiences and uploaded on the DFAT and/or TNP2K websites, as appropriate. MAHKOTA's M&E community of practice, which meets twice a year, is another avenue to disseminate report findings.

Importantly, MAHKOTA's evaluations will inform routine reporting to DFAT (e.g. six-monthly reports) and form background reading for any future DFAT-commissioned evaluations undertaken on the program.

2. **Providing management responses to evaluations:** In line with DFAT's Aid Evaluation Policy²⁵ all of MAHKOTA's evaluation reports will be accompanied by a management response.²⁶ The management response will outline whether MAHKOTA or the implementation team agrees with the recommendations and how the recommendations will/will not be carried forward. Management responses will be developed in consultation with the appropriate implementation teams and shared with DFAT.
3. **Creating other knowledge products based on evaluations:** In some cases, evaluations can produce knowledge that can be tailored and presented in other formats and therefore, reach other audiences. This could include, for example, journal papers, policy briefs and short films, and would be particularly important for evaluative studies of pilot implementation of innovations. Evaluations can also lead to other streams of work, such as research. The MAHKOTA M&E Team will continue to coordinate closely with the MAHKOTA Communications and Knowledge Management Manager on evaluation products and other opportunities for knowledge transfer.

3.3 Evaluation Standards

All evaluation reports will be peer reviewed against DFAT's Monitoring and Evaluation Standard Six.²⁷ This peer review will be done by the MAHKOTA M&E Team with support from MAHKOTA's Senior Evaluation Consultant in cases where MAHKOTA is not leading the evaluation. Where the MAHKOTA M&E Team has led the evaluation, the peer review will be undertaken by the Senior Evaluation Consultant. DFAT may also wish to do an internal peer review of specific MAHKOTA evaluations.

For evaluations on technical matters (e.g. IT infrastructure, data management) and/or evaluations that use technical methodologies (e.g. economic analyses), MAHKOTA will look to have relevant technical experts peer review the evaluation outputs.

3.4 Strategy Resourcing

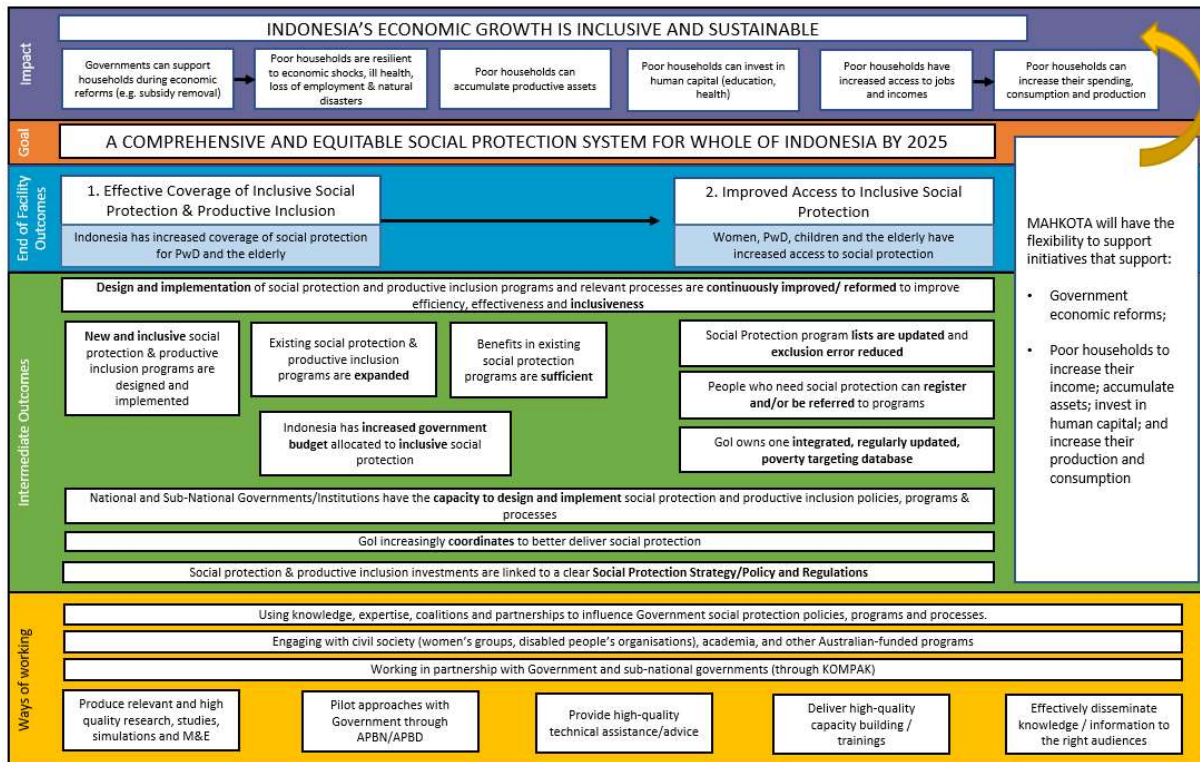
The MAHKOTA M&E Team is currently resourced to undertake MAHKOTA's routine monitoring (primarily for DFAT reporting). Whilst the team has undertaken and managed evaluations in the past, this has placed significant time burdens on the team, resulting in delays to the release of reports and team burn out. As such, the MAHKOTA M&E Team will need to be supplemented by additional staff from January 2019 to implement this Strategy. Such staff will be hired on a short-term basis and, based on their skills set, will either support MAHKOTA's routine monitoring or evaluation work. The number of staff will also depend on how many evaluations are undertaken. However, each new evaluation will likely require the support of at least one additional, short-term Evaluator.

²⁵ DFAT (2017). DFAT Aid Evaluation Policy. Available from: <https://dfat.gov.au/aid/how-we-measure-performance/ode/Documents/dfat-aid-evaluation-policy-nov-2016.pdf>

²⁶ Where the evaluation makes recommendations. In some evaluations, for example, contribution analyses, there may not be any recommendations for follow up.

²⁷ DFAT (2017). DFAT Monitoring and Evaluation Standards. Available from: <https://dfat.gov.au/about-us/publications/Documents/monitoring-evaluation-standards.pdf>

Annex A: MAHKOTA's Theory of Change



Annex B: Proposed Evaluations to November 2021

Table 1: Potential Evaluation Studies to November 2021

Year	Evaluation Question	Rationale for Prioritisation
Jan – Jun 2019	1. What have been TNP2K-S's most significant achievements and how sensitive are the results to changes in context and approach?	This is a time-sensitive evaluation for accountability purposes. It cannot be undertaken later in the investment because most TNP2K staff, who will be primary informants in the evaluation, will be leaving in June 2019. This evaluation would cover the broad scope of MAHKOTA's original theory of change, with specific impacts on access and coverage of social protection to come later in the program.
	2. What improvements can be made to the implementation of transfers in BANGGA Papua and how sensitive are these to changes in context and approach?	The first payment/transfer of BANGGA Papua is expected to take place in December 2018. As the first payment, there are likely to be many lessons learned that can inform and improve future transfers (and hence, the effectiveness and value for money of the program). This will be at type of rolling evaluation/monitoring, conducted over several months to assess how transfers are carried out and how they improve over time.
	3. How has SLRT and MAMPU's collaboration impacted on women and how sensitive are the results to changes in context and approach?	This collaboration has tested a new approach to connecting vulnerable women to social services. This evaluation will assess the effectiveness of the approach, including MAHKOTA's ways of working with MAMPU, to determine whether the approach is worthy for scale up. The timing of this evaluation will allow the program to make improvements or scale up the approach.
Jul 2019 – Jun 2020	1. What has been the cost-benefit impact of SLRT and how sensitive are the results to changes in context and approach?	SLRT has been one of MAHKOTA's largest investments. This impact evaluation will be primarily for accountability purposes, and could be coupled with a parallel assessment on Australia's contribution. The timing of the evaluation is also critical given that the majority of Australia's investment in this initiative will be reduced from July 2019.
	2. How effectively does Gol's data updating processes capture women, children, the elderly and disabled?	Data updating has been a significant investment for MAHKOTA across multiple initiatives. Data updating is also an important way of connecting people, especially women, people with disabilities and the elderly, to social protection. This evaluation would assess how MAHKOTA could improve its support to data updating to capture more vulnerable groups.
	3. How have women and children benefited from the BANGGA Papua program and how sensitive are the results to changes in context and approach?	As one of MAHKOTA's flagship GESI programs, this evaluation will specifically look at the benefits of the program on women and children. This will complement the UNICEF impact evaluation (both quantitative and qualitative) and address key issues that are not necessarily covered by UNICEF. The evaluation will be for accountability/reporting purposes (and potentially for future advocacy efforts).
Jul 2020 – Jun 2021	1. How successfully did poverty data management get transferred to Gol?	A significant sustainability challenge for MAHKOTA has been transferring data management from the donor-funded TNP2K to a government-funded ministry/agency. This evaluation could focus on how MAHKOTA implemented its theory of action regarding institutional capacity. The timing of the evaluation is also important – it will need to be late in the life of the program to assess MAHKOTA's full contribution.
	2. How effective were MAHKOTA's ways of working for improving Indonesia's social protection system and how sensitive are the results to changes in context and approach?	This evaluation, to take place late in the life of the program, could document the different ways in which MAHKOTA worked, including what was successful and what was less successful. The information here could feed into the design of a successor program and/or inform how other policy-driven facilities could work.
	3. What has been Australia's contribution to improving access and coverage to social protection in Indonesia?	This is an impact evaluation at the outcome-stream level, to capture multiple initiatives. The evaluation will need to be undertaken late in the program to capture all of MAHKOTA's efforts and to give these efforts time to mature/create impact. This evaluation will be for accountability/reporting purposes.
Jul 2021 – Nov 2021	1. What has been MAHKOTA's contribution to a comprehensive and equitable social protection system in Indonesia and inclusive economic growth?	This will be MAHKOTA's final impact evaluation, and as such, it captures the program's contributions to its goal statement. As the last evaluation, it will be expected to use the M&E products captured throughout the life of the investment and supplement this with additional informant interviews.