



## Review of Operational Evaluations completed in 2014

### Part 2: Evaluation Snapshots

#### Introduction to the Review of Operational Evaluations

The Review of Operational Evaluations completed in 2014 has three objectives:

- › To better understand the practices related to, and the quality of, operational evaluations and how these have changed since 2012
- › To provide information to support good quality, independent evaluations across the Department of Foreign Affairs and Trade (DFAT), and
- › To promote better use of evaluations across and the department and the aid community by facilitating opportunities for learning.

The Review report has three separate parts:

- › Part 1 provides a summary of the Review purpose, audience and methods. It also outlines the findings against the first two objectives above
- › Part 2 (this document) aims to fulfil the Review's third objective by highlighting useful lessons on aid and development for DFAT staff and development partners
- › Part 3 is made up of the Annexes for Part 1 and Part 2. It outlines the methods used and provides a full list of operational evaluations examined in the Review.

#### Introduction to Part 2, Evaluation Snapshots

To facilitate learning and knowledge sharing from operational evaluations, the Review identified useful or novel lessons on aid and development from the operational evaluations which were examined. The lessons were identified based on a set of criteria (see Part 3, Annex A) and the expertise of Review team members. The lessons are summarised in the following five evaluation snapshots:

- › Gender equality and working with the poorest: Lessons from the Laos Australia NGO Cooperation Agreement Program
- › Supporting the private sector: Lessons from the Enterprise Challenge Fund for the Pacific and South East Asia
- › The challenges of cascade training: Lessons from the Malaysia Australia Education Project for Afghanistan
- › Assessing value for money: Different methods from three operational evaluations
- › The perils of minimising costs: Lessons from the Regional HIV Capacity Building Program.

The audience for these lessons are DFAT aid staff and development partners.

Consistent with the modest resources available for this Review (see Part 1 and Annex A for further information), we did not attempt to synthesise common lessons from across the operational evaluations we examined. Other operational evaluations besides those highlighted below contain useful information on country, sectoral and aid delivery issues. We encourage readers to examine other operational evaluations which may be of interest to them (see Annex B).

## Lesson 1

### Gender equality and working with the poorest: Lessons from the Laos Australia NGO Cooperation Agreement Program (ING310)

The first set of lessons come from the Laos Australia NGO Cooperation Agreement (LANGOCA). The program's final evaluation report (July 2014) outlines useful lessons on gender equality and working with the poorest and most marginalised.

The program achieved positive gender equality outcomes using relatively novel approaches. One project attempted to change attitudes and behaviour in relation to gender roles by conducting training with couples. The aim of the training was to increase the couple's understanding of roles in the home, strengthen their capacity to discuss and share household work, and reduce women's workloads when pregnant. The evaluation found evidence that the training resulted in behaviour change, with men becoming more aware of gender equity issues and women reporting reduced workloads.

Gender empowerment was also achieved through Child Clubs. These clubs were set up to provide disaster risk education to children and their families. It was found that young men and women who participated in these clubs became more confident and expressed themselves better than their peers. Further, women who participated in Child Club activities through their children were found to be more engaged with the broader program. This highlights that the potential gender benefits of Child Clubs are worthy of further consideration and analysis.

LANGOCA's NGO partners made significant efforts to identify and include the poorest and most marginalised community members in projects, such as activities to improve livelihoods. However, NGOs found that the poorest people struggled to consistently engage with long-term project activities, as extreme poverty and the imperative of meeting immediate basic needs took priority for these groups. The evaluation report notes that it was difficult to involve the poorest community members in livelihoods activities because they did not have the access to labour or land which is needed to move out of poverty. Based on this finding, the evaluation raised two questions: first, how can we meet the immediate needs of the poorest to facilitate their long-term participation in development? And second, because of the obstacles faced by the poorest in communities to maintaining engagement with livelihoods program, would community outcomes be better achieved by working with the 'middle poor'? Such questions are worthwhile considering in future program designs.

#### Background

The goal of LANGOCA was to reduce the vulnerability of the poor by integrating poverty reduction and cross-cutting issues with disaster management and unexploded ordnance approaches in Laos. To achieve this goal, five projects were implemented by non-government organisations. These projects aimed to integrate cross-cutting issues, particularly gender, environment, HIV and disability, into disaster management and unexploded ordnance work.

## Lesson 2

### Supporting the private sector: Lessons from the Enterprise Challenge Fund for the Pacific and South East Asia (INH329)

The Independent Completion Report (January 2014; published) for the Enterprise Challenge Fund (ECF) provides lessons on supporting the private sector in the Pacific and Asia.

The evaluation found that an ECF can be an effective way to leverage private sector investment to help reduce poverty in a sustainable manner. An ECF can be particularly useful when building a better enabling environment for the private sector cannot be quickly achieved.

However, the evaluation also found that an ECF is not suitable for the Pacific. This is because the transaction costs of an ECF can be high. The evaluation suggests that at least 12 projects with grants exceeding \$500,000 each are needed to justify the program's management costs. Because of the limited pool of businesses and the scale of markets in the Pacific, an ECF in that region is unlikely to be cost-effective.

The evaluation also considered the project selection process. It found that the program fund manager needs to be actively involved in due diligence on proposals, for example, carefully reviewing business cases and assessing the capacity of applicants to deliver proposals. Final selection of proposals for funding should be undertaken by an independent panel who should be responsible for selecting the best projects to meet the Fund's criteria.

A further set of lessons relate to oversight and monitoring of ECF projects. The evaluation found that:

- › ECF projects would have benefited from greater involvement by DFAT posts, for example in defining the challenges to be addressed and following the outcomes of projects
- › ECF-style programs need to have clear strategic frameworks from the start, with an understanding of responsibilities for collecting data at different levels of the project. Businesses should be involved in collecting and reporting data related to their business, and should be granted funds to enable them to do this
- › The 'light touch' approach to monitoring and evaluation originally taken by the ECF was not sufficient. Adequate human and monitoring resources need to be available to ensure monitoring and evaluation functions can be adequately fulfilled.

Such lessons may be useful to staff working on investments designed to strengthen the private sector in developing countries.

#### Background

The ECF provided grant funds to businesses in the Asia-Pacific to pursue innovative business ideas that would raise income, employment and access to services for people in poverty. Businesses applied for grants in a competitive process and were required to provide at least 50 per cent of the funds needed to implement their proposal. Over the life of the program \$11.2m in funding was provided to 21 projects in eight countries.

### Lesson 3

#### The challenges of cascade training: Lessons from the Malaysia Australia Education Project for Afghanistan (INJ768)

The evaluation report (February 2014) for the Malaysia Australia Education Project for Afghanistan (MAEPA) highlights a number of limitations to the cascade training approach. These include:

- › No organisation had responsibility for providing the funds, human resources and logistics to ensure the cascade model was implemented
- › Master Teacher Trainers did not have easy access to training manuals or support materials to assist them train others
- › Master Teacher Trainers had difficulty accessing mentoring and supervision of the quality of training was lacking
- › The security situation in some Afghan provinces meant staff from the central and provincial education ministries were unable move freely and support the training
- › The security situation in some provinces also meant it was a formidable challenge to bring together large numbers of people to be trained.

The evaluation argues that, as a result of these factors, it was impossible for effective cascade training to be delivered. Such issues should be further considered in the design and implementation of any investments which propose using a cascade training approach.

ODE's forthcoming evaluation on teacher quality provides further discussion on issues around cascade training for teachers.

#### Background

MAEPA was a joint initiative of the Governments of Australia, Afghanistan and Malaysia which aimed to improve the quality of teacher education in Afghanistan. Activities included providing Master Teacher Trainers with training in Malaysia. On their return to Afghanistan, the Master Teach Trainers would implement a 'cascade' training approach, delivering further training to teachers in Kabul and their home provinces.

## Lesson 4

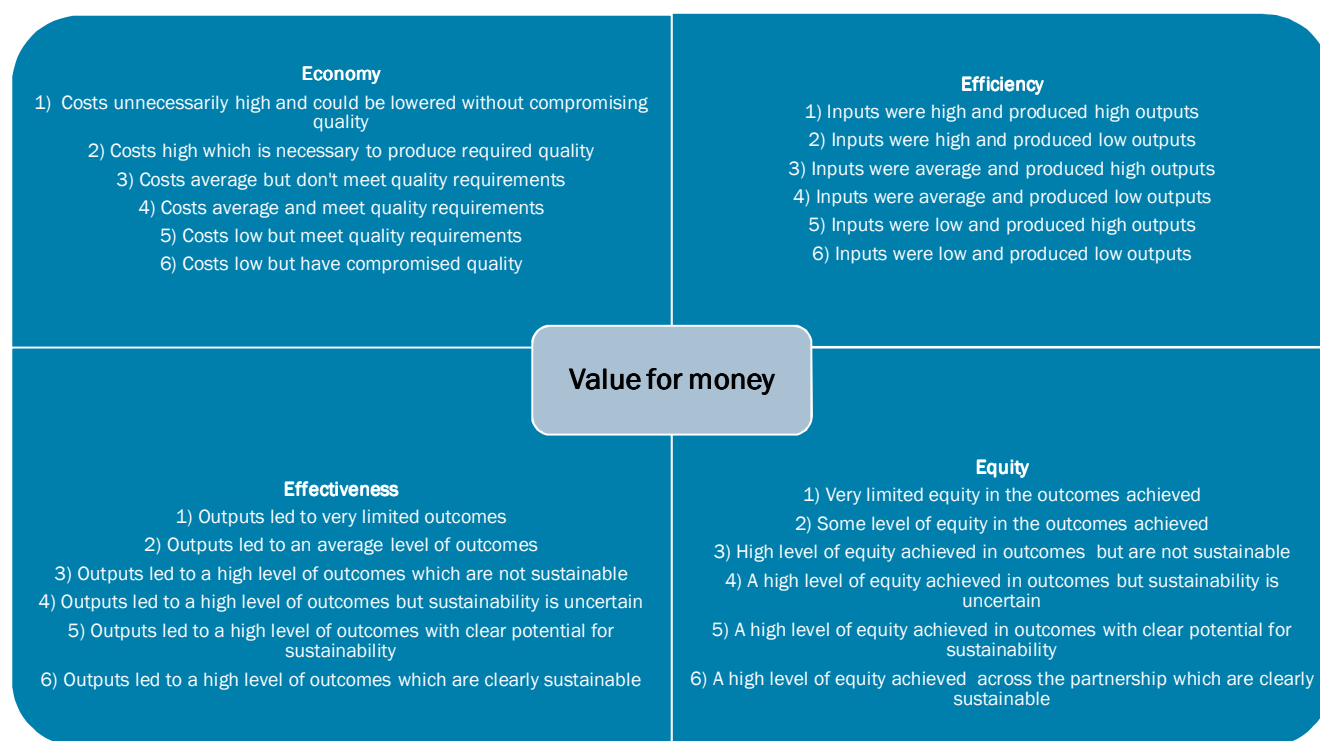
### Assessing value for money: Different methods from three operational evaluations

DFAT is focussed on demonstrating the value for money of its aid investments. A number of operational evaluations examined the issue of value for money and different methods used for measuring value for money are outlined below.

An evaluation of the value for money of a DFAT-World Health Organisation partnership (investment INI468, December 2014) adapted a method known as Basic Efficiency Resource Analysis (BER). BER is normally used to measure efficiency, however, for this evaluation it was expanded to cover four principles of value for money: economy, efficiency, effectiveness and equity.

For each of these four principles, the evaluators developed six possible ratings (see diagram below). They then assessed the four principles and awarded each one a separate rating. By synthesising the four ratings they were able to provide a clear judgement on whether the partnership achieved value for money.

Diagram 1: Adapting Basic Efficiency Resource Analysis to measure value for money



An evaluation of the Australia-Africa Community Engagement Scheme (investment INJ318, May 2014) highlights an innovative approach for measuring value for money. This program is a partnership between DFAT and ten Australian NGOs. The NGO partners manage their own set of activities in one or more African countries.

AACES developed a value for money framework based on balancing economy, efficiency, effectiveness and equity. However, it was not prescriptive about the methods or approach that should be taken to measure these areas. Rather, NGOs were given flexibility to choose and develop value for money methods most suited to them. This approach has encouraged NGOs to experiment and innovate, and has also allowed multiple assessment methods to be developed and tested.

The Independent Completion Report for the Enterprise Challenge Fund (discussed above) also highlights different methods for measuring value for money. To calculate the overall value for money the program's managing contractor conducted a cost-benefit analysis. This analysis provided the total return on all funds invested in the program, with a finding that the overall rate of return was 17%.

The ECF's managing contractor also conducted a value for money assessment which examined the principles of economy, efficiency and effectiveness. Using this approach, the net monetary benefit to each beneficiary was calculated. The result was an estimated net benefit of \$22 per beneficiary. The evaluation team was able to draw on both these pieces of work to assist them make judgements on the investment's value for money.

## Lesson 5

### The perils of minimising costs: Lessons from the Regional HIV Capacity Building Program (INK733)

DFAT's focus on value for money helps ensure programs do not have unnecessary transaction costs. However, the independent progress review of the Regional HIV Capacity Building Program (April 2014) highlights a case where reducing costs resulted in reduced program effectiveness.

The evaluation demonstrates that measures to improve program efficiency had mixed results. On the positive side, partners engaged in a competitive process to obtain funding and this resulted in improved transparency and increased funding for certain HIV-affected groups. On the negative side, the evaluation reports there was a drive to reduce transaction costs to an absolute minimum. This, in turn, had an adverse effect on program quality. For example, an M&E framework and strategies for knowledge management, learning and communication could not be established in a timely manner, meaning opportunities to improve the program and share lessons were lost. DFAT's engagement was also insufficient and, as a result, the program did not have the policy and strategic guidance it required to be effective.

The evaluation notes that the overall result was that the program had low costs but did not deliver value for money because of the resulting reduction in program quality. This is a useful reminder that the costs of a program should be commensurate with the investment outcomes and quality that DFAT is aiming to achieve.

#### Background

The goal of the Regional HIV Capacity Building Program is to strengthen the role of individuals and organisations to respond effectively to HIV and AIDs. The program funds activities to build the capacity of HIV organisations across the Asia-Pacific and to promote awareness of responses to HIV.