

Guidebook



Accountability, Monitoring & Evaluation and Tailor-Made Monitoring

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Index

List of Abbreviations.....	3
Introduction	4
1. Accountability	5
1.1 Introduction	5
1.2 Background of Accountability	5
1.3 Definitions of Accountability	6
1.4 Accountability Mechanisms	7
1.5 Relationships of Accountability	8
1.6 Accountability and Aid	9
1.7 NGO Accountability	10
1.8 Accountability Tools and Processes	11
Sources for Accountability	15
2. Monitoring and Evaluation.....	17
2.1 Result-based Management	17
2.2 Results-based Monitoring and Evaluation	17
2.3 Logical Framework Approach	23
2.4 Indicators	24
2.5 Learning and Monitoring & Evaluation	25
Sources for Monitoring and Evaluation	26
3. Tailor-Made Monitoring	28
3.1 Introduction	28
3.2 Objectives of Tailor-made Monitoring	29
3.3 Principles of Tailor-made Monitoring.....	29
3.4 Monitoring Protocols.....	29
3.5 Assessment of the concept monitoring protocol within the Ministry	30
3.6 Checklist for the assessment of the Annual Report of MFS organisations	31
Sources for Tailor-Made Monitoring	33
Annex 1 Types of evaluation	34

List of Abbreviations

CSO	Civil Society Organisation
DAC	Development Assistance Committee
DSI/MY	Civil Society Division within Netherlands Ministry of Foreign Affairs)
INTRAC	International NGO Training and Research Centre
LFA	Logical Framework Approach
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
MFA	Ministry of Foreign Affairs
MFS	Co-financing system (Dutch: <i>Medefinancieringsstelsel</i>)
MP	Monitoring protocol
NGO	Nongovernmental Organisation
NGDO	Nongovernmental Development Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
UNFPA	United Nations Population Fund
UNDP	United Nations Development Programme

Introduction

The initial idea for this guidebook was to give a set of guidelines for policy officers in the Ministry of Foreign Affairs and NGOs that work with the tailor-made monitoring system within the Dutch Co-financing system (MFS). Since the tailor-made monitoring system - next to upward accountability and learning - also has the objectives to stimulate mutual accountability and innovative methods for monitoring and evaluation it has been decided to discuss a broader topic in this document, namely: “accountability, monitoring and evaluation”. This guidebook does by no means provide a complete overview of this topic, neither does it have a magic answer to the many challenges NGOs are faced with within this area. This guidebook simply explains the tailor-made monitoring system and hopefully provides food for thought to actors that are involved in issues related to NGOs, donors, accountability, monitoring and evaluation.

This guidebook was developed by the Civil Society Division of the Netherlands Ministry of Foreign Affairs, but could not have been made without the input of policy officers within the Ministry, program officers of NGOs and course materials provided by INTRAC. The idea is to use this guidebook as a ‘alive document’, meaning that it will never be finished and will be constantly updated with input from all stakeholders. It has been written in English so that international stakeholders can both use it as well as provide further input.

The guidebook consists of three different parts. The first part deals with the broad topic of accountability, different mechanisms and tools and processes. The second part describes the basic aspects of monitoring and evaluation and several methods and techniques. The third and final part zooms in at the tailor-made monitoring system within the Dutch Co-financing system. Every section provides literature and Internet links for further reading.¹

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¹ When a hyperlink does not work, please try the following: copy the full title of the article to search in Google (www.google.com). Usually the search results will provide a hyperlink to the right document.

1. Accountability

1.1 Introduction

In the early 1980s it was assumed that NGOs would have an impact because of who they were and their relationship and closeness to the 'beneficiaries'. The trend for privatizing aid led to a rise in funding for NGOs. Many donors felt that NGOs understood the local context better than governments or official donor agencies, and were better in reaching the poorest. This approach to development led to a massive rise in the number and size of NGOs in the North and South. Furthermore NGOs were expected to experiment and provide successful models of working with the poor that other donors, markets or governments could then replicate. NGOs were seen as the core of active civil societies, supporting the delivery of public services and promoting the political pluralism that was seen as necessary for developing new liberal democracies (Wallace et.al, 2006; Jordan & Van Tuijl, 2006). These assumption have increasingly come into question throughout the 1990s. Nowadays NGOs experience increasing visibility and increasing criticism, both from within and outside of the sector. This has led to growing pressure on NGOs to be more accountable.

According to Edwards and Hulme (1995 and 1997) NGOs, by their very nature, are problematic as organisations. They are raising money in one country and spending it in others, they are responsible to multiple stakeholders and constituencies, and they work simultaneously in different (and sometimes conflicting) sectors and activities. Furthermore questions arise about the legitimacy of NGOs. Legitimacy relates to the right to represent and the consent to be represented. As unelected, self-appointed bodies, which make claims to represent the poor and underprivileged, NGOs often have to build their legitimacy through their effectiveness as organisations. How effectiveness is to be assessed and in particular who is to do the assessing become crucial questions. NGOs have to be accountable for what they do if their claims to legitimacy are to be sustained (Edwards & Hulme, 1995, 1997).

NGOs need to be accountable to many different sets of stakeholders, among them donors, governments, supporters and beneficiaries. Each of these sets of stakeholders has a very different level of leverage and power over a NGO. As a result, the strength and clarity of their different accountability relationships vary greatly. The mechanisms for ensuring accountability between institutional donors and NGOs, for example, are generally strong because of contractual obligations and the dependence of NGOs on donor funds. Similarly, governments create the legal and regulatory environment within which NGOs function, so they too have significant leverage to guarantee accountability. Beneficiaries, on the other hand, generally lack the power to make demands of them. Few organizations have institutionalised means for beneficiaries to make their opinions felt, and as a result the accountability relationship with them is often weak (Lloyd & de Las Casas, 2005).

There is a clear tension between accountability to donors and accountability to primary stakeholders of aid; the beneficiaries. According to Brehm (2001) there is a need for deliberate mechanisms and processes to be developed to compensate for the tendency of the emphasis of upward accountability. Lloyd and de Las Casas (2005) state that NGO accountability must also be about clarifying and strengthening downward accountability to beneficiaries, who, after all, are the reason why most NGOs exist.

1.2 Background of Accountability

Much of the background of accountability can be found in political research. According to Moncrieffe (1998) concern with public accountability originated in England toward the end of the feudal period, with the commercial classes' claim that the king account for how their accumulated surpluses were spent. The concept was further developed during the rise of modern liberal democracy, eventually embodying three related aspects. Subramaniam (1983 in Moncrieffe, 1998, p. 389) describes them as "accountability in regard to public funds, public responsibility in regard to the use of governmental power by politicians and civil servants and the executive's responsiveness in regard to anticipating

public needs and sensibilities." Accountability is traditionally defined in terms of responsibility of the governments and public officials to the electorate and accounting or answering for actions, particularly in terms of expenditure. Chabal (1986 in Moncrieffe, 1998, p. 393) explains that "political accountability lies not just in the constitutional and institutional devices which formally hold rulers to account for their deeds. Above all else, it is embodied, symbolized in the relation between state and civil society".

1.3 Definitions of Accountability

Accountability

Obligation to demonstrate that work has been conducted in compliance with agreed rules and standards or to report fairly and accurately on performance results vis a vis mandated roles and/or plans. This may require a careful, even legally defensible, demonstration that the work is consistent with the contract terms.

Note: Accountability in development may refer to the obligations of partners to act according to clearly defined responsibilities, roles and performance expectations, often with respect to the prudent use of resources. For evaluators, it connotes the responsibility to provide accurate, fair and credible monitoring reports and performance assessments. For public sector managers and policy-makers, accountability is to taxpayers/citizens. (DAC, 2002)

In academic literature many definitions of accountability can be found. According to Lerner and Tetlock (1999) accountability is a modern buzzword with discipline specific meanings in education, health care, civil and criminal justice, business and especially in politics. Although a complex concept many authors agree that in general accountability refers to holding actors responsible for their actions (e.g. Newell & Bellour, 2002, Dicke & Ott, 1999). It is associated with the process of being called 'to account' to some authority for one's actions, which according to Mulgan (2000) usually implies that one side, that calling for the account, seeks answers and rectification while the other side, that being held accountable, responds and accepts sanctions.

One must specify who is accountable to whom (Fox, 2000). As stated by Day & Klein (in Cavill & Sohail, 2004, p.159): "To talk about accountability is to define who can call for an account and who owes a duty of explanation". Goetz en Jenkins (2002, p. 5) put it simply by explaining that accountability describes a relationship where *A* is accountable to *B* if *A* is obliged to explain and justify his actions to *B*, or if *A* may suffer sanctions if his conduct, or explanation for it, is found wanting by *B*. According to Newell & Bellour (2002) accountability thus refers to power relationships between actors and/or institutions. In essence, a lack of power expresses itself as the inability to hold someone to account. The term accountability also refers to a conception of responsibility. Edwards and Hulme (1996 in Ebrahim, 2003, p. 813-814) define it as "the means by which individuals and organizations report to a recognized authority (or authorities) and are held responsible for their actions". Accountability is also a moral, professional, and ethical construct that results when actors serve with a commitment to do the right things. Or as Harmon (1995 in Dicke & Ott, 1999) puts it; it is an internal constraint or a sense of duty.

Another distinction can be made between legitimate and illegitimate accountability (Tyler, 1997 in Lerner & Tetlock, 1999). Whereas people respond positively to accountability demands from authorities that are perceived as legitimate, they respond negatively when accountability is perceived as illegitimate. When accountability is perceived as intrusive and insulting, any beneficial effects of accountability should fail and may even backfire. In a study by Gordon and Stuecher (1992 in Lerner & tetlock, 1999) students who believed that a faculty member would ask them to justify their evaluations of the teacher wrote more grammatically complex evaluations than students who believed another student would ask them to justify their evaluations. Similarly, field studies of organizational accountability (Sutton & Galunic, 1996 in Lerner & Tetlock, 1999) suggest that surveillance can sometimes become so intrusive that it overwhelms the cognitive and emotional coping resources of decision makers, seriously disrupting task performance.

1.4 Accountability Mechanisms

Objects and Agents of Accountability

A distinction can be made between the ‘object’ of accountability who is held to account for its actions, and the ‘agent’ of accountability, the one entitled to demand answers or impose punishments. Objects can be accountable to multiple agents (Newell & Bellour, 2002). In addition actors and institutions are often both objects *and* agents of accountability. Politicians, for example, are accountable to their voters, but politicians can also hold civil servants to account (Goetz & Jenkins, 2002).

Answerability and Enforceability

Another distinction can be made between the two basic forms of accountability. The first form, called *answerability*, is also known as a weak form of accountability, where an actor or institution has to provide information about one’s actions and justifications for their correctness. The second form, called *enforceability*, is a much stronger form where actors or institution are subject to sanction or penalties from those dissatisfied either with the actions themselves or with the rationale invoked to justify them (Goetz & Jenkins, 2002).

Internal and External Accountability

Cornwall, Lucas and Pasteur (2000 in Ebrahim, 2003) suggest that accountability is both about being “held responsible” by others and about “taking responsibility” for oneself. They make a distinction between the external dimension of accountability in terms of a responsibility to meet arranged standards of behaviour and the internal dimension of accountability which is motivated by, what Fry (1995 in Ebrahim, 2003) calls a ‘felt responsibility’ as expressed through individual action and organizational mission. These two dimensions can also be seen as inducements behind accountability mechanism. As described by Ebrahim (2003, p. 824-825):

In many cases the inducements are external, such as legal requirements for annual reports (e.g., for retaining nonprofit tax status) or requests by donors for quarterly progress data, backed up by sanctions for noncompliance (such as loss of funding). External inducements can also be more subtle, such as the erosion of public confidence in NGOs as a result of scandals or exaggerated claims of achievement. Internal inducements are also common, especially in mission-driven organizations that believe in participation, or in the importance of valuing the environmental, social and ethical dimensions of their activities.

Downward and Upward Accountability

Within the system of NGOs and donors people (i.e. Ebrahim, 2003, Naidoo, 2003) often refer to ‘upward’ accountability to funders, donors, foundations, governments and ‘downward’ accountability to clients or constituents such as community groups or other beneficiaries. Upward accountability is often focused on accounting for funding, whereas downward accountability often refers to relationships with primary stakeholders (Ebrahim, 2003, Naidoo, 2003).

Strategic and Functional Accountability

Another distinction is developed by Avina (1993 in Ebrahim, 2003), whereby functional accountability implies accounting for resources, resource use, and immediate impacts and strategic accountability entails accounting for the impacts that an NGO’s activities have on the actions of other organizations and the wider environment. According to Ebrahim (2003, p. 825-826) the most common mechanisms of accountability, such as reports and project evaluations, mainly serve a functional purpose “because they tend to focus on accounting for funds and measuring their short-term impacts”. Given the complex nature of development, more attention to strategic processes of accountability are necessary for lasting social and political change (ibid.).

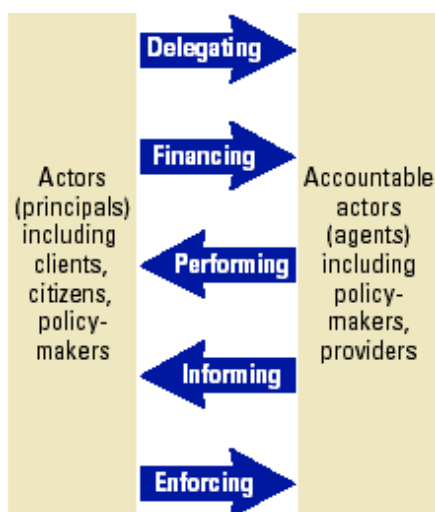
Stakeholder Accountability

Cooper and Owen (2007) stress the importance in accountability mechanisms of effective utilization of information by recipients, and associated power differentials between accountor and accountee, The giving of an account is only one part of the accountability framework as this also requires that the accountee has “the power to hold to account the person who gives the account” (Stewart’s 1984, p. 16 cited in Cooper & Owen, 2007). Cooper and Owen therefore suggest that if accountability is to be achieved stakeholders need to be empowered in such a way that that they can hold the accountors to account. Bailey, Harte, and Sugden (2000 in Cooper and Owen, 2007) emphasise that this conception of accountability requires not only the provision of information, but also its value in terms of ‘facilitating action’. In short, next to involving stakeholders in stakeholder accountability can be increased by means of *empowerment*, in terms of *facilitating action* on their part.

1.5 Relationships of Accountability

The World Bank, in the *World Development Report 2004: Making Services Work for Poor People*, defines accountability as a relationship among actors that has five features: *delegation*, *finance*, *performance*, *information about performance*, and *enforceability* (figure 1). This can be explained by the example of a employment relationship: “a person is given a set of tasks (*delegation*) and paid a wage (*finance*). The employee works (*performance*). The contribution of the employee is assessed (*information*). And based on that information, the employer acts to reinforce good or discourage bad performance (*enforceability*)” (World Bank, 2003, p. 47).

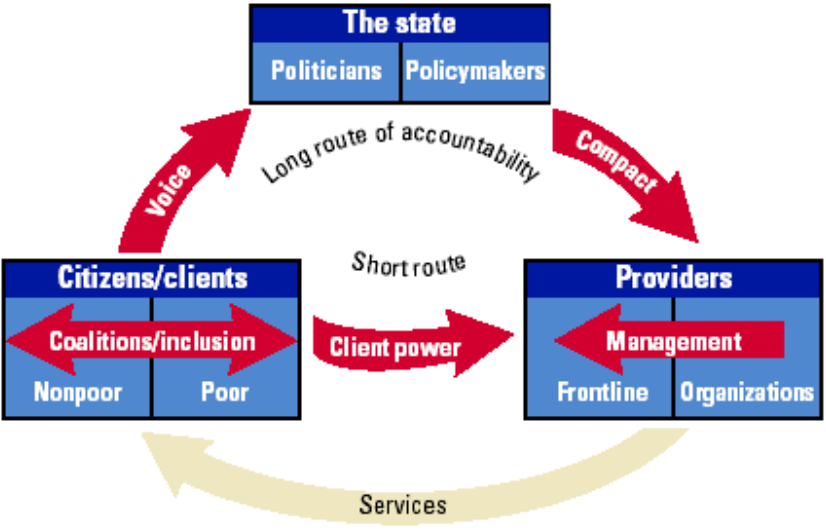
Figure 1.1 The relationships of accountability have five features



Source: World Bank, 2003, figure 3.1, p.47

In the chain of service delivery the World Bank (2003) distinguishes four broad roles 1) *Citizens/clients* 2) *Politicians/policymakers* 3) *Organizational providers* 4) *Frontline professionals*. In the ideal situation these actors are linked in relationships of power and accountability. Citizens exercise *voice* over politicians. Policymakers have *compacts* with organizational providers. Organizations *manage* frontline providers. And clients exercise *client power* through interactions with frontline providers (see figure 2 below). Weaknesses in *any* of the relationships— or in the capacity of the actors—can result in service failures. Providers can be made directly accountable to clients (as in market transactions) by passing decisions and powers directly to citizens or communities—a “short route” of accountability. But, more typically, the public sector is involved, so two key relationships— *voice* and *compacts* —make up the main control mechanism of the citizen in a “long route” of accountability. In either case, organizations (such as health, education, and water departments) need to be able to manage frontline providers.

Figure 1.2 Key relationships of power

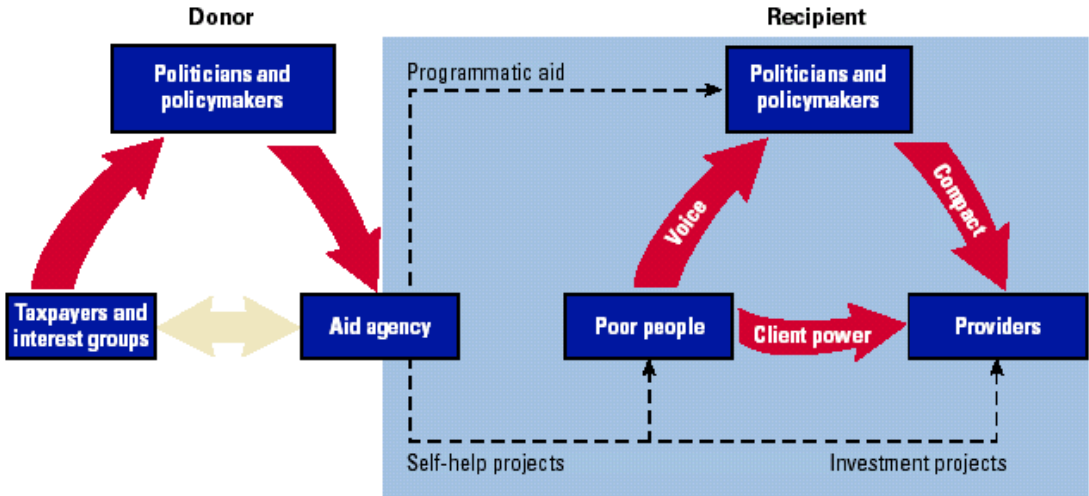


Source: World Bank, 2003, figure 3.2, p. 49.

1.6 Accountability and Aid

Aid differs in important ways from domestically financed services. The beneficiaries and financiers are not just distinct—they live in different countries, with different political constituencies (Martens e.a. (2002), Ostrom e.a. (2001), in World Bank, 2003, p. 203-204). This geographical and political separation—between beneficiaries in the recipient country and taxpayers in the donor country—breaks the normal performance feedback loop in service delivery (see figure 3). For example, beneficiaries in a recipient country may be able to observe the performance of aid agencies. But they cannot reward or punish the policymakers responsible for this performance in donor countries. The broken feedback loop induces greater incentive biases in aid than in domestic programs. So aid effectiveness is determined not only by the performance of the recipient but also by the incentives embedded in the institutional environment of aid agencies (World Bank, 2003, p. 203-204).

Figure 1.3 The feedback loop between and donor country tax payers is broken

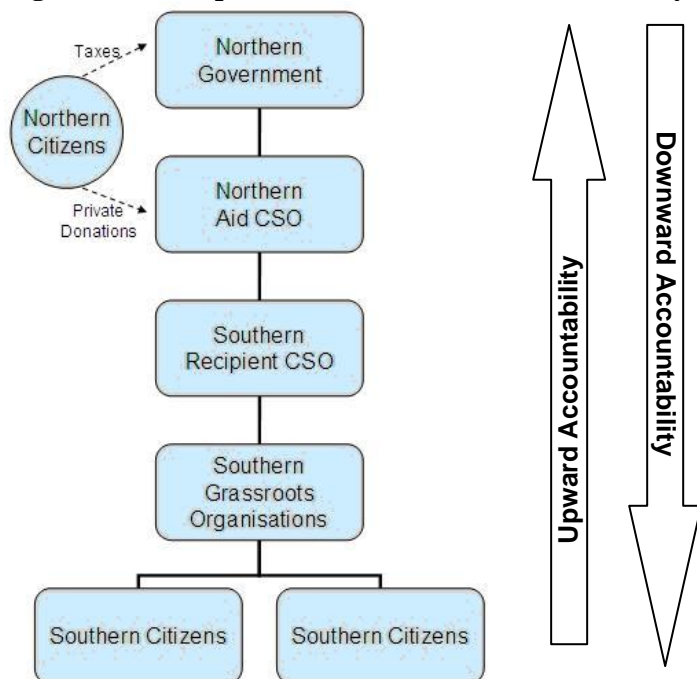


Source: World Bank, 2003, figure 11.1, p. 204

1.7 NGO Accountability

The notion of accountability is particularly complex in relation to NGOs, because of the multiplicity of actors with NGOs engage and to whom they are therefore accountable. Naidoo (2003, p. 3) explains that “We can speak of ‘upward’ accountability (to funders, donors, governments or other external actors, often in the context of accounting for resources or the fulfilment of particular service targets) and ‘downward’ accountability (to constituents such as community groups, activists, or other beneficiaries of NGO activity). This is illustrated in the figure below adapted from Biekart’s representation of the ‘aid chain’, in the case of Northern ODA through CSO.

Figure 1.4 Upward and Downward Accountability in the Aid Chain



Source: Adapted from Biekart, 1999, p. 79

Increasing visibility and increasing criticism, among other factors, have led to growing pressure on NGOs to be more accountable, both from within and outside of the sector. According to Lloyd & de Las Casas (2005) Organizations need to be accountable to many different sets of stakeholders which, separately and collectively, play an integral part in their operations: 1) institutional donors provide funding; 2) governments provide legal and regulatory frameworks; 3) supporters provide their money and time; 4) beneficiaries provide the basis for an organization's purpose and moral legitimacy. A further complication is that each of these sets of stakeholders has a very different level of leverage and power over an NGO. As a result, the strength and clarity of their different accountability relationships vary greatly.

According to Wallace and Chapman (2003) current policies and procedures around the project cycle, and around the disbursement of aid from donors to NGOs, and from NGOs to NGOs in countries of the South are dominated by tools developed in Europe or the USA which are largely based on new public management thinking and approaches. These affect the nature and quality of relationships between organisations at every level of the aid chain. Lloyd and de Las Casas (2005) explain that the majority of NGOs are grappling with their accountability in reaction to external threats and bad publicity. The majority of self-regulation initiatives are therefore centred on setting standards that address the needs of, and clarify and strengthen accountability to, those stakeholders that have the ability to affect them the most – governments, donors and the general public. Beneficiaries, as relatively powerless stakeholders, do not exert the same pressure and thus often fail to receive the same level of attention.

1.8 Accountability Tools and Processes

Design and implementation of accountability is practised in many different ways in order to give an account, to take account of, or to be held to account. Existing tools, techniques and processes of accountability are summarised below. Key characteristics of the accountability mechanisms, tools and processes discussed are presented in table 1.1 at the end of this section.

Information and reports

Accountability and transparency of organisations to their clients can be increased by making reports publicly available at the community level (Cavill & Sohail, 2007). According to Naidoo (2003) documents such as annual reports, organisational or project evaluations, strategic plans, and regular communications (newsletters, updates, briefs) can provide channels for public access to information about the organisation's work, financial status, governance structure and operational impact. Ebrahim (2003) emphasises that the distinct and tangible nature of these documents makes them easily accessible. However, the majority of this reporting emphasizes upward reporting of financial data, with only limited indication of the quality of the organisations work and almost no attention to downward accountability to stakeholders.

The Global Reporting Initiative (GRI) and AccountAbility's AA1000 state that reports alone have little value when they fail to inform stakeholders or support a dialogue that influences the decisions and behaviour of both the reporting organisation and its stakeholders. According to them a quality reporting process is governed by the principle of accountability, which is itself underpinned by the principle of inclusivity. In other words: accountability to all stakeholders (AccountAbility, 1999, GRI, 2002, in Cooper & Owen, 2007). There are countries that have established standards for disclosure and public reporting. Naidoo (2003) shows that several organisations have adopted these standards in other contexts on a voluntary basis.

Auditing

Auditing is a systematic control-oriented process assessment to evaluate the match or discrepancy between an established standard and the existing condition (Rist, 1989 in Dicke & Ott, 1999). In financial audits, auditors conduct a formal assessment or verification of financial records. In program audits, auditors try to verify that program goals and objectives are achieved (Sharkansky, 1998 in Dicke & Ott, 1999). Auditing is most effective when there are clearly established standards by which performance can be measured (Dicke & Ott, 1999). Ebrahim (2003) states that social auditing should take place especially through stakeholder dialogue.

Monitoring and evaluation

Another set of tools that is used for facilitating accountability includes different kinds of monitoring and evaluation methods (Ebrahim, 2003). The most common monitoring methods include direct observation and progress (Dicke & Ott, 1999). Evaluation often includes performance and impact assessments. It is important to distinguish between external and internal evaluations (Ebrahim, 2003). Evaluation (with the exception of mid-term evaluations) take place in retrospective audits, whereas monitoring is ongoing. According to Cavill & Sohail (2007) most International NGOs (INGOs) have monitoring and evaluation requirements for donor funded projects (for example, log frames, performance assessments, strategic evaluations, reports and disclosure statements). These are used as a mechanism through which an INGO can be held to account.

Self-regulation

The term 'self-regulation' refers to efforts by organisations to ensure quality assurance, expertise, and competence in their performance. Self-regulation mechanisms include voluntary (or certified) compliance with codes of ethics or codes of conduct, but can also imply complaint mechanisms (Ebrahim, 2003, Naidoo, 2003, Cavill & Sohail, 2007). Naidoo (2003) states that "The idea behind

self-regulation mechanisms is that the sector itself should be actively engaged in promoting a certain set of values and norms as part of maintaining a public reputation for professionalism and high ethical behaviour". Dicke & Ott (1999) question whether established codes of ethics are adequately defined to be enforced in any meaningful way. Consequently main criticisms of self-regulation mechanisms point to the 'non-enforceability' of such mechanisms. Very few mechanisms involve a certification process whereby teams of evaluators are empowered to grant or withdraw certification to organisations (Naidoo, 2003).

Contracts and Legal Control

Contracts are "formal, binding agreements between two or more parties, presenting pledges of tasks, acts, processes, products, or resources, to be provided by one party in exchange for a consideration (money or other goods) from another party" (Rhea, Ott, & Shafritz, 1988, p. 163 cited in Dicke & Ott, 1999). A contract is an agreement to do or not to do a certain thing. Contracts include three major components: agreement about what is to occur (or not to occur), specification that performance will be in accordance with an agreed upon plan, and financial consideration (Dicke & Ott, 1999).

Cavill & Sohail (2007, p. 235) make a distinction between enforceable and non-enforceable laws and regulations. UK-based NGOs, for example, must register with the UK Charity Commission in order to operate as charities in England and Wales. In addition NGOs must act in accordance with a number of other laws (i.e. non-profit legislation, international human rights law, local and national laws) as well as legal and quasi-legal mechanisms such as contracts and memoranda of understanding.

Board of Trustees

Boards of trustees, according to Cavill & Sohail (2007, p. 235), have "responsibility for the overall policy, the direction of [the organisation], monitoring and approving the financial income and expenditure, while also ensuring that the organisation operates in a way that complies with statutory obligations and in accordance with its own mission and values". Naidoo (2003) explains that governing boards are comprised of individuals external to the organisation. They are selected by and operate according to clearly defined and transparent procedures.

Whistle-blowing

Whistle-blowing is an action by an individual who believes that the public interest overrides the interests of an organization and who publicly exposes corrupt, illegal, fraudulent, or harmful activity (Shafritz, 1992 in Dicke & Ott, 1999). "Whistle-blowers may be internal or external to an organization and may include, for example, government employees, contractor employees, advocacy groups, or the media", as stated by Dicke & Ott (1999).

Participation

Participation is quite distinct from evaluations and reports because it is an accountability process rather than a tool. In examining participation, it is helpful to distinguish between different levels of participation. Ebrahim (2003, p. 818-819) makes a distinction between four different levels or kinds of participation: 1) participation refers to information about a planned project being made available to the public, and can include public meetings or hearings, surveys, or a formal dialogue on project options; 2) public involvement in actual project-related activities, this may be in the form of community contribution toward labor and funds for project implementation; 3) citizens are able to negotiate and bargain over decisions with NGOs or state agencies, or even hold veto power over decisions; 4) people's own initiatives occur independently of NGO and state-sponsored projects. Examples of this last kind of participation include social movements. Ebrahim explains:

The first two forms of participation are commonly espoused by state agencies, donors, and NGOs, and are based on an assumption that poverty can be eliminated by increasing local access to resources and services. At both of these levels, very little decision-making authority is vested in communities or clients, with actual project objectives being determined by NGOs and funders long before any “participation” occurs. (2003, p. 818).

Levels three and four of participation stress that poverty is based in power structures embedded in social and political relations (Ebrahim, 2003). Consultation and participatory mechanisms that are being used by organisations include: stakeholder survey, stakeholder dialogue, focus groups, discussion forms, participatory evaluation and consultative committee type structures (Cavill & Sohail, 2007, Cooper & Owen, 2007, Ebrahim, 2003). It is however difficult to make direct links between a specific participatory process and a particular management decision of a organisation. Whilst, for example the bringing in of a consultative committee, with direct lines established to main board level decision- making, is certainly a step forward in transparency terms, it is debatable as to how much such initiatives achieve in terms of empowering stakeholders and thereby democratising a process. The crucial question from a stakeholder accountability perspective has to be whether the engagement and ‘dialogue’ processes they are invited to participate in do meaningfully influence specific aspects of decision-making of the organisation (Cooper & Owen, 2007)

An overview of the key characteristics of the accountability mechanisms, tools and processes discussed above are presented in table 1.1 below.

Table 1.1 Characteristics of accountability mechanisms

Accountability mechanism (tool or process)	Accountability to whom? (upward, downward, or to self)	Inducement (internal or external)	Organizational response (functional or strategic)
Information/reports (tool)	<ul style="list-style-type: none"> - Upward to funders and oversight agencies - Downward (to a lesser degree) to clients or members who read the reports. Or downward when the principle of inclusivity is adhered to 	<ul style="list-style-type: none"> - Legal requirement - Tax status - Funding requirement (external threat of loss of funding or tax status) 	<ul style="list-style-type: none"> - Primarily functional, with a focus on short-term results
Auditing (tool and process)	<ul style="list-style-type: none"> - Upward to funders - To NGOs themselves - Downward and upward to stakeholders in case of stakeholder dialogue 	<ul style="list-style-type: none"> - Funding requirement (external threat of loss of funding or tax status) - Erosion of public confidence (external) - Valuation of achievement of program goals and objectives (internal) 	<ul style="list-style-type: none"> - Functional to the extent it affects the behaviour of a single organization - Strategic to the extent it involves NGO-stakeholder dialogue, promotes longer-term planning
Contracts and legal control (tool)	<ul style="list-style-type: none"> - Upward to funders and oversight agencies 	<ul style="list-style-type: none"> - Legal requirement - Tax status - Funding requirement (external threat of loss of funding or tax status) 	<ul style="list-style-type: none"> - Primarily functional, with a focus on short-term results
Monitoring and evaluation (tool)	<ul style="list-style-type: none"> - Upward to funders - Significant potential for downward from NGOs to primary stakeholders 	<ul style="list-style-type: none"> - Funding requirement (external) - Potential to become a learning tool (internal) 	<ul style="list-style-type: none"> - Primarily functional at present, with possibilities for longer-term strategic assessments
Board of Trustees (tool)	<ul style="list-style-type: none"> - To NGOs themselves - Downward when board members represent primary stakeholders 	<ul style="list-style-type: none"> - Overall policy; ensuring that organisation operates according to its mission and values. (internal) 	<ul style="list-style-type: none"> - Primarily functional at present, with possibilities for longer-term strategic assessments
Whistle-blowing (tool and process)	<ul style="list-style-type: none"> - Upward to funders - Downward to primary stakeholders - To NGOs themselves 	<ul style="list-style-type: none"> - Public interest overrides the interests of an organization (external) 	<ul style="list-style-type: none"> - Strategic in that it concerns long-term change
Self-regulation (process)	<ul style="list-style-type: none"> - To NGOs themselves, as a sector - Potentially to clients and donors 	<ul style="list-style-type: none"> - Erosion of public confidence due to scandals and exaggeration of accomplishments (external loss of funds; internal loss of reputation) 	<ul style="list-style-type: none"> - Strategic in that it concerns long-term change involving codes of conduct
Participation (process)	<ul style="list-style-type: none"> - Downward from NGOs to clients and communities - Internally to NGOs themselves 	<ul style="list-style-type: none"> - Organizational values (internal) - Funding requirement (external) 	<ul style="list-style-type: none"> - Primarily functional if participation is limited to consultation and implementation - Strategic if it involves increasing bargaining power of clients vis-à-vis NGOs and NGOs vis-à-vis funders

Source: Adapted from Ebrahim, 2003, table 1, p. 825

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More resources on accountability are available on the following websites:

<http://www.keystoneaccountability.org>

<http://www.oneworldtrust.org/>

<http://www.civicus.org/Ita>

<http://www.accountability21.net/>

<http://www.ids.ac.uk/>

<http://www.transparency.org/>

<http://en.wikipedia.org/wiki/Accountability>

2. Monitoring and Evaluation

2.1 Result-based Management

Results-Based Management

A management strategy focusing on performance and achievement of outputs, outcomes and impacts. (DAC, 2002).

Results-based management is an approach aimed at achieving important changes in the way that organizations operate. It offers a management framework and tools for strategic planning, risk management, monitoring and evaluation. The main objectives of results-based management are 1) improve organisational learning; 2) fulfil accountability obligations by reporting on results and most importantly; 3) improving performance in terms of results (Meier, 2003 in OECD, 2006).

One of the core principles of results-based management is the notion of causality: different inputs and activities should logically lead to results on the output, outcome and impact level. Usually these changes are presented in a so-called “results chain” in which cause-and-effect relationships are clearly shown. Results of development interventions are seen as chronological and time-bound. In addition changes are linked to a series of management steps within the programme cycle. Within the results-based management approach managers have to constantly reflect on whether or not the development interventions are leading towards the desired results and if adjustment in strategy and implementation are necessary to make sure the expected results will be achieved (ibid).

2.2 Results-based Monitoring and Evaluation

Results-based monitoring and evaluation means that data is collected about results in a systematic manner. This data can be used by the management for decision making. The key characteristics of results-based management are:

- Implementation strategies and activities are designed to directly support outcomes, and are continuously adapted over time to ensure that planned outcomes are achieved.
- Indicators and M&E strategies are logically linked to desired outputs, outcomes and impacts, and they demonstrate clearly whether or not the identified results are being achieved.
- The same set of indicators is used consistently throughout any program to provide evidence of ongoing results performance. Ongoing M&E activities analyse the degree to which planned results are actually achieved so that implementation can be adjusted as needed (Oakley & Clayton, 2000, p. 13).

The two terms of ‘monitoring’ and ‘evaluation’ are often used together and sometimes even seen as alike. There is however an important difference between these two terms. The main difference is that monitoring is an ongoing process and an integral part of programme management. Monitoring results may lead to alteration in activities and in some cases may even lead to ending activities. They provide lessons learned and generate input for future activities (MinBuZa, 2005). When a programme or project is finished monitoring is no longer performed. Evaluation on the other hand is only done periodically; often midterm and at the end of a project or programme. In some cases evaluation will take place years after a development intervention was implemented to assess the impact. A good monitoring system will provide core information for evaluations (Oakley & Clayton, 2000).

Nowadays most organisations and donors use the international definitions as described by the Development Assistance Committee:

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).

Evaluation

The systematic and objective assessment of an ongoing 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. (DAC, 2002).

Efficiency, effectiveness and relevance are often the key aspects of an evaluation. The DAC definitions for these terms are given below. A sample of different types of evaluations is presented in Annex 1.

Efficiency

A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results. (DAC, 2002)

Effectiveness

The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.

Note: Also used as an aggregate measure of (or judgment about) the merit or worth of an activity, i.e. the extent to which an intervention has attained, or is expected to attain, its major relevant objectives efficiently in a sustainable fashion and with a positive institutional development impact. (DAC, 2002)

Relevance

The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies.

Note: Retrospectively, the question of relevance often becomes a question as to whether the objectives of an intervention or its design are still appropriate given changed circumstances. (DAC, 2002)

Broadly speaking we make a distinction between two approaches for monitoring and evaluation: 1) Technocratic approach and 2) Participatory approach. The technocratic approach has a strong focus on management and basic principles of objectivity and standardisation of procedures. Within this approach evaluators are seen negatively: as external experts that will assess a programme based on complicated analytical models that are difficult to understand for other stakeholders. The participatory approach to M&E on the other hand focuses on participation of different stakeholders in the M&E process, both during planning, implementation, results as well as further decision-making. Within this process there is a lot of space for interaction and different visions of stakeholders. Both M&E approaches are presented in table 2.1 below.

Table 2.1: Two Approaches for Monitoring and Evaluation

Technocratic Approach	Participatory Approach
<ul style="list-style-type: none"> - Rationally designed operational tools - Value neutral/ Objective - Increased managerial control - Standardisation of procedures - Replicable models and norms - Evaluators seen negatively - Uses complicated analytical frameworks and methods which are not shared, and stakeholders will not easily understand - Outside experts decide what is important, analyse and report - Stakeholders only supply information; results are kept by project - Success of the project becomes more important than stakeholder perceptions and benefits 	<ul style="list-style-type: none"> - Different perceptions- relativist - No absolute objective criteria/ subjective - Identifies all interested parties - Space for dialogue/interaction - Multi-disciplinary - Evaluators as facilitators not judges - Stakeholders are more equally involved in deciding project focus, measuring of success, and measuring results - Stakeholders involved in deciding how project will be monitored and evaluated - Stakeholders involved in data collection and analysis - Stakeholders involved in changing strategy as a result of M&E - Results shared with stakeholders

Source: INTRAC course ‘ *Introduction to Participatory Monitoring and Evaluation* ’, 2007.

Participatory M&E is an essential part of results-based management, according to Coupal (2001, p. 5) because stakeholders participate in the development of desired results after which they remain involved in the measuring and monitoring of these results. Participatory M&E also increases accountability by involving stakeholders in relevant M&E strategies:

Donor accountability is only part of the equation. Ultimately, local accountability leads to sustainability. Involving project stakeholders in decision-making around the collection and analysis of information is more likely to generate local ownership and lead to change since people are more likely to act on recommendations generated when people do it themselves. (Coupal, 2001, p. 5).

According to Coupal (ibid) it is important to use both traditional as well as participatory methods and techniques for monitoring and evaluation. Box 2.1 and 2.2 below provide an overview of (participatory) M&E techniques and methods.

Box 2.1: Core Data Collection Methods for Monitoring and Evaluation

1. Document Review

What information already exists?

e.g. health clinic records, population statistics, school enrolment figures, old photographs, municipality records, university studies, geographical maps, etc.

2. Stakeholder Analysis

Who needs to be involved in the M&E Process?

e.g. project beneficiaries, local officials, project staff, people who live in the area, etc. Decide with the key stakeholders how they should be involved in M&E.

3. Physical Measurements

Weighing (e.g. to measure malnutrition in children, or yield of a crop), counting (e.g. lambs born, carpets completed).

4. Direct Observation

Visits to a community, to a health centre, farm, school, etc. Best if done by several people (to cross check information) and documented with a checklist or a short report.

5. Questionnaires and surveys

Questionnaires can be face to face, on the phone, by e-mail, on the Internet, posted, or picked up and filled in by people at a centre (e.g. clinic or youth club). Surveys are usually more elaborate and involve sampling.

6. Semi-Structures Interviews

Interviews based on a check list of questions but which also can address new questions which arise. They usually include discussion and allow feedback on opinions about the project/ programme. They are useful for collecting information on unintended effect of a project/ programme.

7. Case Studies

Used to document the life story or sequence of events over time relating to a person, household, village, place, or organisation. Can also be filmed on video and done in a participatory way by people in a community interviewing each other.

(Adapted from IFAD's A Guide to Project M&E, 2003 in: Study material during course in 2007: Introduction to Participatory Monitoring and Evaluation. International NGO Training and Research Centre (INTRAC). Oxford, UK.)

Box 2.2: Participatory Tools for gathering information on indicators

Oral Techniques

Testimonials

A recorded narrative – delivered in the first person – of an individual’s attitude to and experience of a particular situation or project/ programme.

Listening Survey

A survey can be carried out by listening to what people say in different situations (e.g. on the bus, in the bread queue, at the youth club etc.) and the answers recorded by theme, topic, or group.

Role Play

Groups role play a situation or a change in the community. Different groups (e.g. men, women, old people) may role play the same situation from different points of view. The different groups can comment on how each other see the same problem.

Dreams or Visioning

This helps to identify what good changes people would like to see in their community. For M&E it is useful for identifying indicators and is a good basis for planning. Looking 2-5 years ahead is a useful time-frame. Start by having people think of their dreams individually then working as a group to draw a common dream out of the separate ones.

Most Significant Change

Participants establish four domains of change in their community that they want to focus on (e.g. women’s empowerment, young people feeling involved in their community, participation in a credit group, the ability of the community to influence local officials). Ask the group to discuss: “what has been the most significant change in women’s empowerment?”. The group then discusses a) what happened b) why that change is considered the most important one. Findings can be positive or negative.

Maps

Mapping

A community map is a schematic drawing of an area, used to identify the location and types of resources used by a community, from the perspective of its inhabitants. Different information will be shown if the map is done by different groups e.g. women, or children.

Transects

Transects are diagrams of the land use in an area. They compare the main features, resources, uses and problems of different zones. Transects can be constructed by walking in a line through an area with a key informant using direct observation to note specific factors and talking to people you meet on the way (e.g. noting areas which have no shops, which have a lot of litter, where houses are falling down, where there are many beggars, where certain crops are grown etc.)

Mapping Time

Time Line

An illustration of key events in the life of an individual, household, community or organisation over a specified period of time in the past.

Seasonal Calendars

These are ways of representing seasonal variations in climate, crops, income-generating activities, nutrition, health and diseases, debt, etc. They can help identify times of shortages – of food, money or time – and the best time of the year for particular kinds of development work.

Box 2.2: continued

Time Trends

These are graphs to show how things have changed over time. Time trends can be used for many variables including: crop yields, area under cultivation, livestock, population, prices, interest rates, food shortages, migration, malnutrition rates, school closures, etc.

Daily Routine Diagrams

These help compare the daily routines of different groups of people, and seasonal changes in the routines. They can help identify suitable times for meetings, training, courses, visits, etc. They can also be useful for assessing changes in household roles between men and women, children and older people, over time. This may be useful for assessing the impact of a programme over time.

Livelihood Analysis Diagrams

These can help interpret behaviours, decisions, and coping strategies of households with different socio-economic characteristics. Variables for livelihood analysis may include: proportion of income by sources, expenditure on different items, credit and debt.

Charts & Pictures

Flow Chart

A visual tool for showing causes, effects and relationships in order to explore impacts of a project/ programme or a change. People, institutions, resources etc. are represented diagrammatically. Arrows are drawn between them to indicate flows or linkages. For example: relationships between political, economic and cultural factors causing increasing environmental damage; effects of major changes in a community.

Venn Diagram

A Venn Diagram is a set of different size circles – each representing an institution – drawn to show the relationships between a community or household and the institutions that affect it. Different circles indicate the institutions or individuals. When the circles are separate there is no contact between them. If they overlap a little there is some cooperation in decision-making. If they overlap a lot there is considerable cooperation. The more powerful groups or individuals have larger circles.

Ranking

People make a list (e.g. of priorities in their village) and then vote to select which are the highest priorities.

Wealth or Well-being Ranking

This can be used to investigate perceptions of wealth differences and inequalities in a community, to discover local indicators and criteria of wealth and well-being and to establish the relative wealth of households in the community. This can be useful if the project is trying to target the poorest people. It is done by making a list of all households and asking different people to sort them into categories according to their own criteria of wealth or well-being (not just economic. Often three categories are needed: the poorest, middle and richest.

Box 2.2 continued

Matrices

Matrices combine two sets of data to illustrate patterns more vividly. For example children could list all the factors that make school a good experience and score them for how important they are to them. One set of scores shows the quality of that aspect of schooling (e.g. feeling safe) and the other set of scores shows how important 'feeling safe' is relative to other aspects of schooling. You can then identify issues that are both important and poor quality (and therefore need priority attention). Projects/ programmes can then choose to direct resources away from issues which are less important to the children or by repeating the exercise, can show changes over time.

Videos and Photos

Photos

Take pictures of the same place at different times of day, different seasons, before and after a change etc.

Videos

Video role play, or interviews and use them to discuss issues in a wider group.

(Adapted from: Toolkits, Save the Children 2003 in: Study material during course in 2007: Introduction to Participatory Monitoring and Evaluation. International NGO Training and Research Centre (INTRAC). Oxford, UK.)

2.3 Logical Framework Approach

Logical framework (Logframe)

Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. (DAC, 2002)

The Logical Framework Approach (LFA) originated in the 1960s. It is a methodology that is used to prepare a programme or development intervention. The methodology involves a participatory process to clarify outcomes, outputs, activities and inputs, their causal relationships, the indicators with which to measure progress towards results, and the assumptions and risks that may influence success and failure of the intervention. It offers a structured logical approach to setting priorities and building consensus around intended results and activities of a programme together with stakeholders. A summary of the results of this participatory process are presented in matrix-form, in a so-called Logical Framework (log frame). A log frame can form the basis for monitoring and evaluation within a programme. The log frame should be revisited and refined regularly as new information becomes available (UNFPA, 2004, p. 7). At present, LFA is used by many international organisations (Van Oudheusden, 2007). Opponents emphasize that the LFA is subject to many dangers and distortions. According to Gasper (1997, p. 1) LFA is often "reduced to filling-in the boxes of a standardized pre-set project matrix". In addition there is the risk of "tunnel vision" and "blindness to effects other than the stated objectives". This can cause obstruction for policy innovation.

Inputs

The financial, human, and material resources used for the development intervention.

Outputs

The products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.

Outcome

The likely or achieved short-term and medium-term effects of an intervention's outputs.

Impacts

Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended. (DAC, 2002)

The DAC definitions for the levels input, output, outcome and impact are presented above. Within the Netherlands MFA the 'span of influence' and 'span of control' is used to explain the difference between output and outcome. Output is within your span of control; those things that you have control over. Outcome is within your span of influence, but outside your span of control: you do not have control over the outcome, but you can influence it.

2.4 Indicators

Indicators play an important role within monitoring and evaluation. The DAC (2002) definition for an indicator is: "Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor". Indicators help decision makers to measure the progress of results on the different levels of input, output, outcome and impact. Consequently indicators form a central part of any result-based accountability system. Such a system includes data on several indicators that reflect the information need of decision makers.

Indicator

Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor. (DAC, 2002)

SMART

Objectives and indicators should be as SMART as possible:

Specific
Measurable
Achievable
Relevant
Time-Bound

To identify the starting point for every indicator it is important to perform a baseline study: "An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made" (DAC, 2002). According to Horsch (1997) it is important to note that indicators serve as a red flag; good indicators only provide a sense of whether expected results are being achieved. They do not answer questions about why results are or are not achieved, unintended results, the linkages existing between interventions and outcomes, or actions that should be taken to improve

results. For this reason, data on indicators must be interpreted with caution. They are best used to point to results that need further exploration, rather than as definitive assessments of program success or failure.

2.5 Learning and Monitoring & Evaluation

There is often a perceived gap between generating information through monitoring and evaluation and using this for future planning [...] What this gap represents is often the absence of mechanisms for learning in the design of M&E systems. (Bruce Britton, 2005, p. 11)

As described in this quote 'learning' is often a subordinate part of a M&E system. As described before learning is one of the main objectives of results-based monitoring and evaluation systems. It is important to identify the lessons learned and to apply these to improve the programme. For this reason the emphasis on learning strategies as part of an M&E system is increased. Moreover (donor)requirements are being made about the 'learning capacity' of organisations. In other words; the extent in which organisations are able to apply lessons learned and the capacity to make knowledge and experiences available for future activities (MinBuZa, 2005). According to Van Guijt (in Berendsen, 2006) it is important to link monitoring to the learning need of an organisations. Van Guijt explains that: "you can not expect an accountability system to automatically (without changes) provide information for learning as well. Therefore, you have to develop the system in a different way". Dijkstal and Dixon even state that measuring results both for learning as well as (upward) accountability is impossible. In their opinion it is important to make a distinction between learning and accountability, otherwise openness in presenting learning aspects is not possible. In the report of the commission Dijkstal the following is stated:

Depending on one goal of measuring results (learning) or the other goal of measuring results (accountability) different questions will be asked and different information will be provided. To be able to learn organisations are inclined to look for negative aspects, whereas to be able to be accountable organisation tend to look more for positive aspects. (2006, p. 17).

In general organisational learning becomes more important to effectively contribute to development processes.

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More resources on participatory monitoring and evaluation are available at the ELDIS website: <http://www.eldis.org>

3. Tailor-Made Monitoring

3.1 Introduction

Since January 1, 2007 the grant scheme frameworks of Thematic Co-financing (TMF) and the so-called MFP (co-financing system for large, broad thematic organisations) have been integrated into one policy framework called ‘MFS’: Co-financing System. The aim of the integration of both grant schemes can be described as follows: “Strengthening complementarity within the Dutch Development Cooperation sector and the possibility to compare organisations and programmes based on quality” (Minbuza, 2005, p. 3-4). The MFS has a total budget of over 2.1 billion Euros for 59 NGOs in four years (2007-2010). The following aspects are central to the MFS: Millennium Development Goals, quality improvement, result-based management, space for innovation, improving cooperation, complementarity with the bilateral aid channel en less dependency on subsidies (at least 25% own contribution by January 1, 2009) (Van Ardenne, 2006b).

Together with the start of the MFS a new monitoring system has been introduced. The new monitoring system is called ‘Tailor-made Monitoring’. The Netherlands Ministry of Foreign Affairs has taken past criticism on board and has now adopted a tailor-made approach to NGOs. One of the causes for a new approach to monitoring has been the TMF evaluation on monitoring and evaluation where the following was stated:

We have the impression that the monitoring by BM [policy officers within the MFA] , since standard procedures or norms lack, is subjective and dependent on the knowledge, interest and time of the BM. Some seem to lack the capacity or interest to comprehend the monitoring by contract-organisations they are supposed to monitor. [...] we believe that it would be worthwhile to consider to put more effort in supervising the monitoring of the grants [...] (MDF/IAC, 2006, p. 68-69).

Many policy officers within the MFA did not respond to the annual reports that they financed, were unaware of their strengths and weaknesses and certainly did not use the NGO’s experiences to formulate new policy.

Within the tailor-made monitoring system MFS organisations are being monitored based on a organisation specific monitoring protocol (for the total grant scheme period) that has been developed by the MFS organisation and approved by the MFA. The monitoring

protocol is derived from the Logical Framework Approach (LFA) and consists of a programme monitoring protocol and organisation monitoring protocol (see section below). Organisations present an annual plan and annual report to the MFA that gives a planning and an account for the objectives, key indicators and targets in the monitoring protocol. Based on these reports policy dialogues are held between the MFA and MFS organisations on the individual as well as the thematic level.

**Tailor-made monitoring is
a Results-Based Management system
based on the Logical Framework Approach.**

3.2 Objectives of Tailor-made Monitoring

The monitoring system has two overall objectives: 1) accountability of results 2) increase learning capacity within the development cooperation sector. Further objectives of the monitoring system are:

- Increase the quality of the Co-financing system (MFS)
- Structured contact between policy officers and Co-financing Agencies
- The M&E system of the MFS organisation forms the core of the tailor-made monitoring system for each individual organisation.
- More concrete and compact annual reports of MFS organisations
- Reduce the administrative burden for MFS organisations
- Results are formulated at the level of partner organisations and target groups
- Space for adjustment and reformulation of output/outcome indicators and targets
- Stimulate new, innovative methods of data collection and result measurement
- Stimulate data collection and result measurement by Southern actors
- Mutual Accountability

3.3 Principles of Tailor-made Monitoring

- MFS organisations are pluriform, autonomous and are approached by the Ministry on the basis of partnership;
- MFS organisations develop their own quality system which is their responsibility;
- Diversity in MFS organisations will result in a diversity in quality systems and monitoring systems;
- The monitoring system should not result in a administrative burden for MFS organisations;
- The focus of the monitoring system is on results, in particular results on the level of partner organisations and the target groups;
- Expected results need to be identified up front. Reformulation of results is possible, provided that the right argumentation is given;
- In the case of an adjustment in strategy a context analysis can provide insight in the underlying reasons.

3.4 Monitoring Protocols

MFS organisations have to deliver a concept monitoring protocol consisting of:

- A. Programme monitoring protocol (with key indicators on the level of partner organisations and the target groups)
- B. Organisation monitoring protocol (with key indicators on the level of the MFS organisation in the Netherlands).

MFS organisations receive a format with the compulsory aspects for both protocols. The MFS organisations develop the overall objectives, key indicators, targets and means of verifications for each of the different levels and programmes that they receive funding for. The formats function as an example; it is up to the particular organisation to decide in which format they want to deliver the monitoring protocols to the Ministry. The two formats are presented in figure 3.1 and 3.2.

Figure 3.1 Programme Monitoring Protocol

Programme Monitoring Protocol			
Overall objective			
Input	(key) indicator	Target	Means of Verification
	a) b)	a) b)	sources from which the status of the indicators can be ascertained
Output	(key) indicator	Target	Means of Verification
	a) b)	a) b)	
Outcome	(key) indicator	Target	Means of Verification
	a) b)	a) b)	
Sustainability	What measures are being taken to ensure the programme will be sustainable?		
Risk Factors	Hypotheses about risks which could affect the progress or success of a development intervention.		
Gender	How is gender integrated in the programme?		
Added Value	Added value of programme/ way of working/ thematic/ regional etc.		
Contribution to MDGs	To which MDG does the programme contribute and with what amount (in Euros)?		

Figure 3.2 Organisation Monitoring Protocol

Organisation Monitoring Protocol					
Organisational Aspect	Monitoring advice by external MFS commission	Output	(key) indicator	Targets	Means of Verification
25% own contribution					
Efficiency					
Quality systems					
Budget					
Partner policy					
Complementarity					
Learning capacity					

3.5 Assessment of the concept monitoring protocol within the Ministry

When the concept monitoring protocol (MP) is presented to the Netherlands Ministry of Foreign Affairs the internal assessment of the MP takes place as follows:

Step 1: Policy Officer

The policy officer (contact person for the individual MFS organisation) within the Ministry will assess the concept monitoring protocol (MP).

Negative result → the MFS organisation will be asked to review the monitoring protocol and hand in a revised version.

Positive result → forward MP to the ‘focal point monitoring’ within each thematic department of the Netherlands Ministry of Foreign Affairs.

Step 2: Focal point monitoring within thematic department

The focal point monitoring will assess the MP.

Negative result → back to policy officer and MFS organisation

Positive result → forward MP to (via DSI/MY) MFA Expert team Monitoring within the Ministry

Step 3: MFA Expert Team Monitoring

At least two members of the MFA Expert Team Monitoring independently assess the MP.

Negative result → back to focal point (via DSI/MY), policy officer and MFS organisation

Positive result → Letter of approval send to MFS organisation by policy officer

The **main criteria** that are being used for the assessment of the monitoring protocol are:

- Objectives, key indicators and targets have to be on a realistic ambitious level.
- Objectives and key indicators have to be as SMART as possible.
- The relation between input, output and outcome has to be logical and systematic
- Key indicators and targets are according to the MFS application (unless changes have been proposed and approved)
- The MP has to be complete. In other words: all the levels (input, output and outcome) and aspects (see formats above) of the organisation monitoring protocol and programme monitoring protocol should be 'filled in'.
- There should be a baseline for the key indicators and targets.
- Risk factors should be externally and outside the span of control of the MFS organisation.
- The MP is on a aggregated level and as compact as possible.

Note: Assessment is organisational specific, meaning that the thematic area, age and experience with M&E of an organisation is taken into account.

3.6 Checklist for the assessment of the Annual Report of MFS organisations

Important documents to use when assessing the annual report:

- Written reaction (letter) on the annual plan (for the same year as annual report);
- Monitoring protocol 2007-2010;
- MFS contract (Dutch: *beschikking*) to check the advice about monitoring aspects given by the external MFS commission (Dutch: *MFS adviescommissie*);
- Report of individual policy dialogue (in previous year);
- MFS application.

Assessment based on monitoring protocol:

- Is the annual report in conformity with the monitoring protocol 2007-2010? Is it possible to compare expected results for each key indicator with actual results?
- In the case of major changes between expected results and actual results: are these changes explained in the narrative text and are they based on acceptable grounds? If not; ask for explanation.
- Both 'success stories' as well as 'less successful stories' should be discussed in the narrative text of the annual report as well as the lessons learned.
- Is the annual report complete? In other words are all aspects covered?
 - Organisation monitoring protocol (emphasis on those aspects the external MFS committee gave advice for)
 - 25% own contribution
 - Efficiency
 - Quality systems

- Budget
 - Partner policy
 - Complementarity
 - Learning capacity
- Programme monitoring protocol
 - Overall objective
 - Input (key indicators, target, means of verification)
 - Output (key indicators, target, means of verification)
 - Outcome (key indicators, target, means of verification)
 - Sustainability
 - Risk Factors
 - Gender
 - Added Value
 - Contribution to MDGs
- Are there any changes proposed as opposed to the original monitoring protocol 2007-2010? If yes; are the reasons for these changes well-substantiated and acceptable? If the answer is no; ask for clarification before approving the changes.
- Are programme evaluations discussed in the annual report? Ideally 10-15% of the total budget is evaluated annually. In the MFS contract the following is said: “Organisations are being encouraged to organise programme evaluations. These programme evaluations will be made available to the MFA and will be assessed by the IOB² based on the criteria of validity, reliability and relevance. Partos³ is being encouraged to play a role in the disseminations of the evaluations (see for example NORAD: www.norad.no/ngo-evaluation).”
- In connection with mutual accountability: does the annual report refer to agreements made between the Ministry and MFS organisation? In any case: refer to the following agreements and achieved results of the Ministry:
 - In the case of strategic partners: A policy dialogue between the MFS organisations and the MFA is held at senior level at least once a year.
 - When necessary the Civil Society Division or other thematic departments of the Ministry (in collaboration with Partos) will organise a workshop with the objective of stimulating learning.
 - Thematic Departments within the Ministry will organise an annual meeting (that concerns the specific policy topic) with MFS organisations to exchange best practices.
 - In the case of strategic partners: An annual field visit takes place by the policy officer of the MFA.
 - The MFA aims to assign the same policy officer for the MFS organisation for at least two years.
 - The response time to annual plans and reports is two months maximum.
 - The MFA will monitoring itself. Once in every two years a research will take place with the objective to gain insight in the role of the Ministry as a financer and partner and how this role can be improved.

Please note: The above agreements are part of the MFS contract between the MFA and MFS organisations.

Finally:

- In the case of strategic partners: place reactions on the annual report of the different embassies, thematic departments and IOB in an annex in the letter to the MFS organisations.
- Cc IOB in the letter to the MFS organisation.
- Make an appointment with the MFS organisation for the annual policy dialogue.

² Policy and Operations Evaluation Department

³ Partos is the national platform for Dutch civil society organisations in the international development cooperation sector.

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Annex 1 Types of evaluation

Cluster evaluation

An evaluation of a set of related activities, projects and/or programs.

Country Program Evaluation/ Country Assistance Evaluation

Evaluation of one or more donor's or agency's portfolio of development interventions, and the assistance strategy behind them, in a partner country.

Ex-ante evaluation

An evaluation that is performed before implementation of a development intervention.

Ex-post evaluation

Evaluation of a development intervention after it has been completed.

Note: It may be undertaken directly after or long after completion. The intention is to identify the factors of success or failure, to assess the sustainability of results and impacts, and to draw conclusions that may inform other interventions.

External evaluation

The evaluation of a development intervention conducted by entities and/or individuals outside the donor and implementing organizations.

Formative evaluation

Evaluation intended to improve performance, most often conducted during the implementation phase of projects or programs.

Independent evaluation

An evaluation carried out by entities and persons free of the control of those responsible for the design and implementation of the development intervention.

Note: The credibility of an evaluation depends in part on how independently it has been carried out. Independence implies freedom from political influence and organizational pressure. It is characterized by full access to information and by full autonomy in carrying out investigations and reporting findings.

Internal evaluation

Evaluation of a development intervention conducted by a unit and/or individuals reporting to the management of the donor, partner, or implementing organization.

Joint evaluation

An evaluation to which different donor agencies and/or partners participate.

Note: There are various degrees of "jointness" depending on the extent to which individual partners cooperate in the evaluation process, merge their evaluation resources and combine their evaluation reporting. Joint evaluations can help overcome attribution problems in assessing the effectiveness of programs and strategies, the complementarity of efforts supported by different partners, the quality of aid coordination, etc.

Meta-evaluation

The term is used for evaluations designed to aggregate findings from a series of evaluations. It can also be used to denote the evaluation of an evaluation to judge its quality and/or assess the performance of the evaluators.

Mid-term evaluation

Evaluation performed towards the middle of the period of implementation of the intervention.

Participatory evaluation

Evaluation method in which representatives of agencies and stakeholders (including beneficiaries) work together in designing, carrying out and interpreting an evaluation.

Process evaluation

An evaluation of the internal dynamics of implementing organizations, their policy instruments, their service delivery mechanisms, their management practices, and the linkages among these.

Program evaluation

Evaluation of a set of interventions, marshaled to attain specific global, regional, country, or sector development objectives.

Note: a development program is a time bound intervention involving multiple activities that may cut across sectors, themes and/or geographic areas.

Project evaluation

Evaluation of an individual development intervention designed to achieve specific objectives within specified resources and implementation schedules, often within the framework of a broader program.

Note: Cost benefit analysis is a major instrument of project evaluation for projects with measurable benefits. When benefits cannot be quantified, cost effectiveness is a suitable approach.

Sector program evaluation

Evaluation of a cluster of development interventions in a sector within one country or across countries, all of which contribute to the achievement of a specific development goal.

Note: a sector includes development activities commonly grouped together for the purpose of public action such as health, education, agriculture, transport etc.

Self-evaluation

An evaluation by those who are entrusted with the design and delivery of a development intervention.

Summative evaluation

A study conducted at the end of an intervention (or a phase of that intervention) to determine the extent to which anticipated outcomes were produced. Summative evaluation is intended to provide information about the worth of the program.

Thematic evaluation

Evaluation of a selection of development interventions, all of which address a specific development priority that cuts across countries, regions, and sectors.

Source: DAC, 2002