Indicators & Data Collection

The right kind of data for the right kind of monitoring & evaluation

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European Regional Development Fund

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Good to see you all again . . .

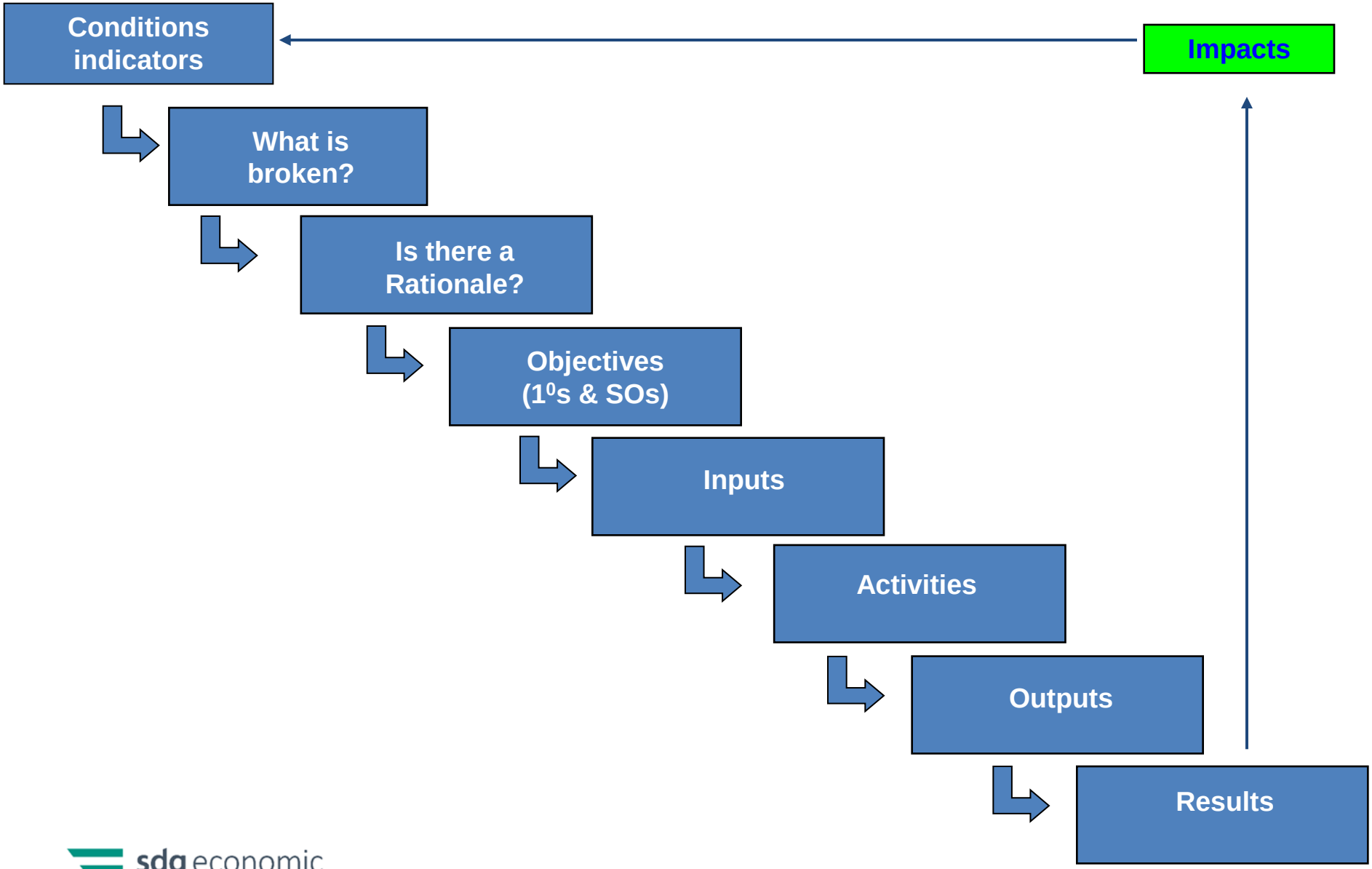
- For those who don't remember
  - 56 yrs of age, 1 wife, 1 daughter
  - 12 years in UK Civil Service, 24 years in economic development consultancy
  - Formally with DTZ-Pieda, then SQW, now SDG Economic Development, which:
    - Is a start-up, with UK/EU focus
    - 2 months old, 4 staff . . . & no profit (yet!)
    - We do 5 things
      - Evaluation & ex-post impact assessment
      - Appraisal, case making/advocacy, & business planning
      - Capacity & Capability Development
      - Place, sector, & market analytics
      - Strategy choices & Action-planning

Intro: so, what brings us to today?

Remember all this good stuff . . .

- We operate in a market economy
- Markets should work perfectly
- When they don't, failures arise
- Failures of 3 types
  - *Market* failures
  - *Coordination* failures
  - Failures of *outcome*
- Occurrence of market, coordination &/or outcome failures provide the justification for public-sector intervention

Logic model - the ‘Building Blocks’ . . .



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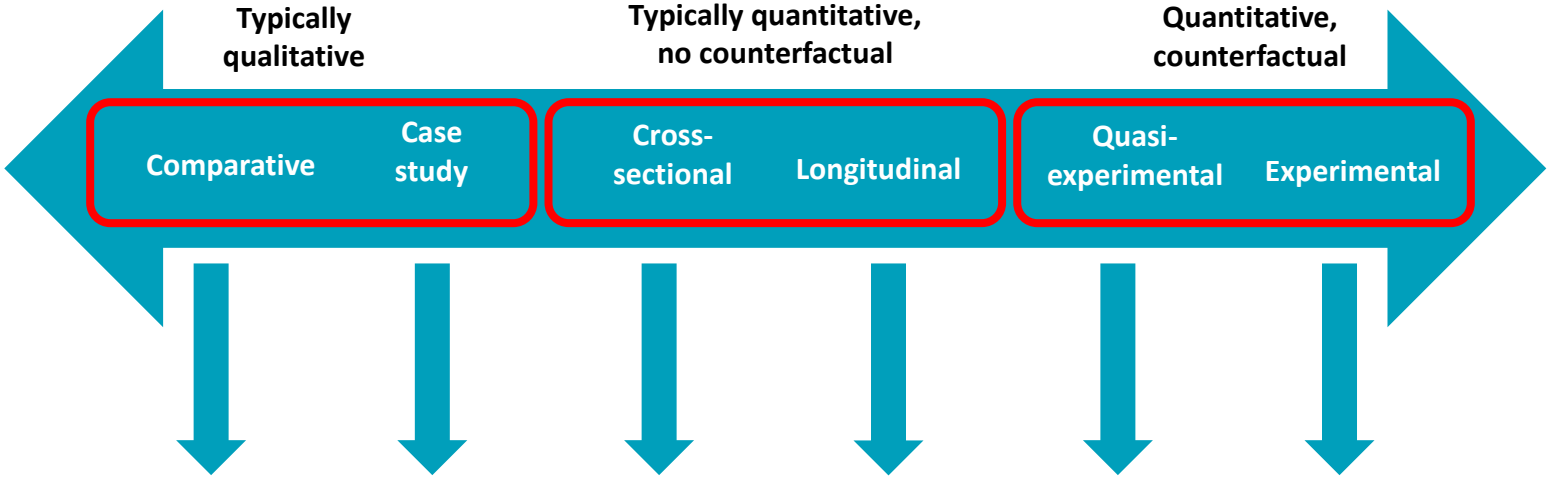
. . . Large & small ‘n’ considerations in evaluation

Theory-based approaches

Small ‘n’ - TBIE Methods

Large ‘n’ - CIE Methods



TYPICAL APPROACH & PURPOSE	*Intensive analysis of two or more contrasting cases to understand key factors that influence results*	*Intensive analysis of a single case (community, organisation, event etc..) to understand how & why results are generated*	*Collection of data on a large number of cases at a single point in time to detect patterns of association*	*Same as cross-sectional, but data collected on at least two occasions to allow insights into the time order of variables*	*Develop the counterfactual ex post facto by taking advantage of ‘natural’ experiments, cut-off points or statistical techniques*	*Design an intervention with otherwise identical treatment & non-treatment groups to isolate its effects*

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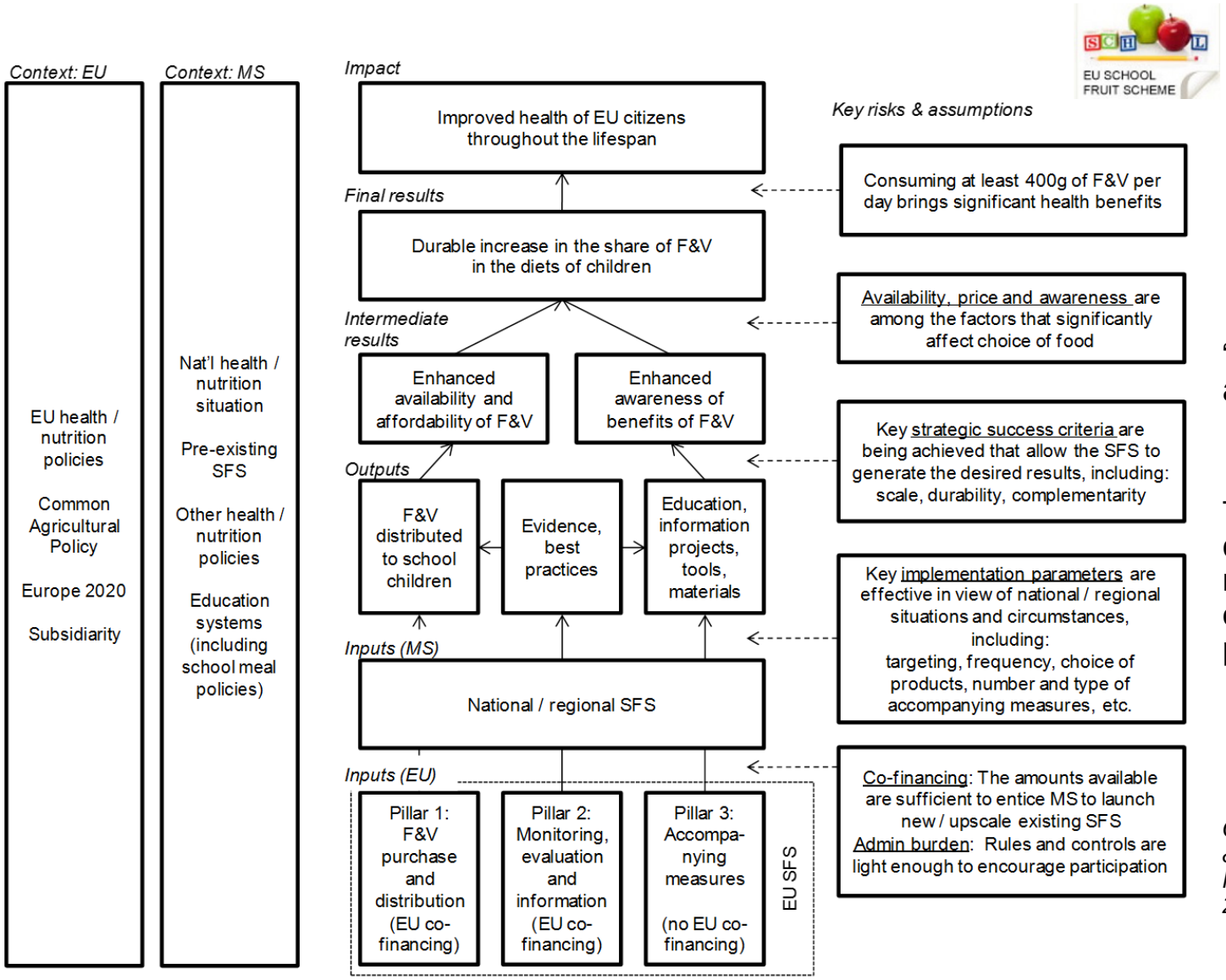
. . . & on to 'Theory of Change' thinking



"Logic models are **descriptive**.

Theory of change [...] models are **explanatory** & **predictive**."

Qualitative Research & Evaluation Methods, Patton, 2001

And, now, the Commission's push for results-orientated thinking

- Because of . . . Compliance
  - Emphasis in new 2014 -2020 period on 'results orientation'
    - Attempt to shift Programmes from doing '*stuff*' to adding '*real value*'
  - Explicit requirement in the Regulations
    - Common Provision Regulation (CPR), ETC Regulation etc.
- Because of . . . Conscience
  - Are programmes/project's doing the right things & doing these things right
  - Identifying learning to enable real-time change & improvement
  - Establishing evaluation (& underpinning monitoring) as a core behaviour & part of our legacy

So, worries from 20 June, 2016, Amsterdam

- On data & indicators . . .
  - What to measure?
  - When to measure?
  - How to measure?
  - Who should do the measuring?
- . . . Bearing in mind the different needs of monitoring & evaluation
  - Monitoring – done all the time: *'are we doing things right?'*
  - Evaluation – phased activity (ex-ante, interim, ex-post): *'are we doing the right things?'*
- We will seek to address these worries today/tomorrow!

4 parts to my presentation

- Part 1: How to define the 'right' indicators? 10.30-11.10
  - The central role of objectives
  - Committing to SMART objectives – from where good indicators & data flow
  - Why both quantitative & qualitative indicators matter
  - The role of wider contextual indicators in positioning programmers
  - Q&A
- Part 2: 'Surgery Session' - what kind of data & indicators do we need for different types of evaluation? 11.30-12.30
  - Evaluation of processes & procedures
  - Evaluation of Impact
  - Implications for Terms of Reference
  - Q&A

4 parts to my presentation

- Part 3: What to do with the information gathered? 12.30-13.00
  - Five key stages of monitoring
  - Driving information back into an actively managed project cycle
  - The key trip wires in working with monitoring data
  - . . . And on to evaluation
  - Q&A
- Part 4: The key take-away messages 14.00-14.30
  - By reference to my recent work on programme impacts
  - Q&A

Today's presumptions

1. Your job is not just about spending money . . . but making a difference to your places, communities, & businesses
2. In your programmes, being busy is not the same effective. Beware . . .
3. If you don't know where you are starting from, you will find it hard to know where you are going too . . . or when you have got there!
4. Good objectives are they key to unlocking the data & indicators puzzle
5. Many others have wrestled with these same issues – so take some time out to understand how they have responded

Questions

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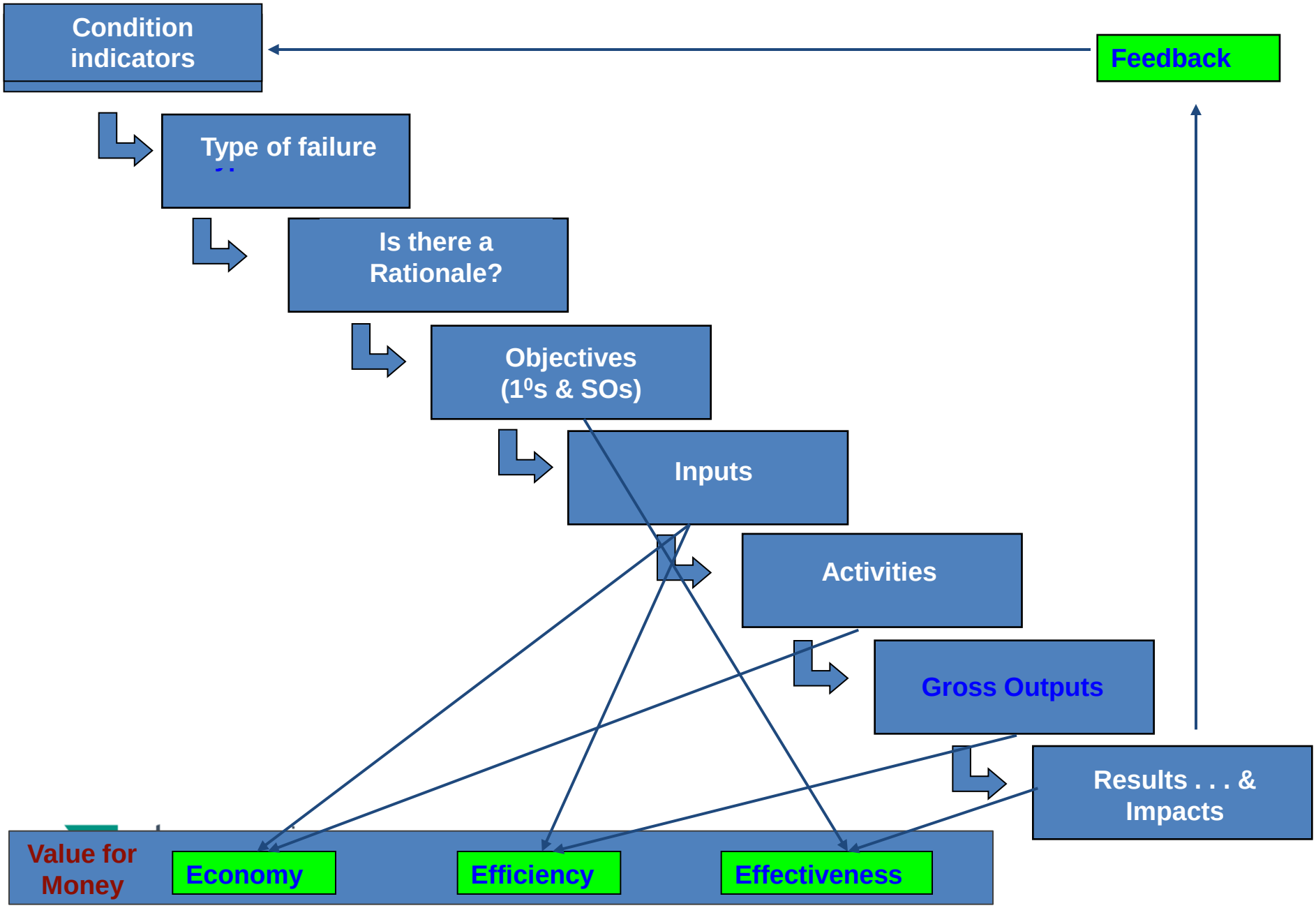
Part 1: how to define the right indicators?

Concept 1: the Logic Chain



Concept 1: the Logic Chain – terms

- Activities
    - things that are done [within programme/project's timeframe]
- Outputs
    - direct measures of an Activity that can be counted [within programme/project's timeframe]
        - e.g. no attendees at workshop, no businesses advised, collaborations formed
- Results
    - subsequent effects caused by the Outputs, which can again be measured, ideally) [within/after programme/project]
        - ↑ understanding of new policy, ↑ knowledge/confidence among SMEs
- Impacts (aka 'long term effects')
    - wider economic, social or other effects that can be credibly attributed to an intervention [generally after programme/ project]

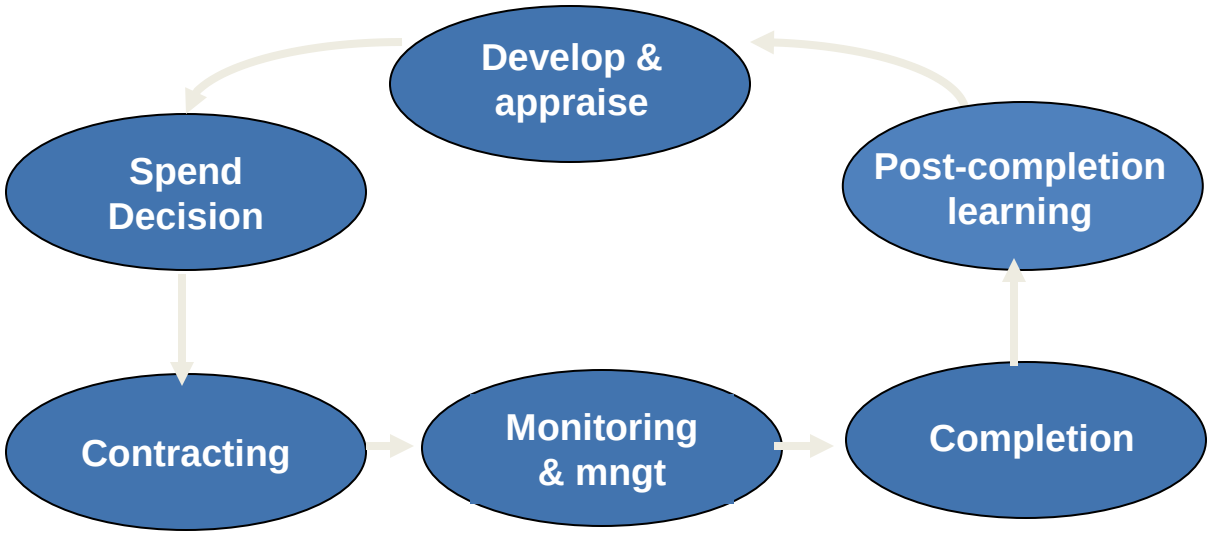
Concept 1: the Logic Chain – the key questions

Where do we start – what's the problem?	Rationale
What might happen if we do nothing?	Reference Case
What would we achieve if we acted?	**Strategic Fit & Objectives**
What are the options for us & others (& how can risks be minimised & managed?	Options/Risk Assessment
What will we need to spend on inputs to deliver the things we propose?	Costs & Activities
What are the expected outputs & Results/Impacts & beneficiaries?	Outputs & Results/Impacts (Gross & Net)
Are the costs acceptable given the benefits?	Value for Money
Will the benefits continue without our support?	Delivery & Capitalisation

Concept 2 - The Programme/Project Life Cycle

- Secures Objectives & Value for Money
- Crystallises the activity from the options
- Minimises inputs & maximises results

- Provides feedback to inform future Programme design & development
- Allows for results/impacts reporting
- Makes for better project specification



- Reaches a formal decision with a clear audit trail

- Facilitates effective use of resources & allows contingency action

Monitoring & evaluation – providing the 'Controlling Mind'

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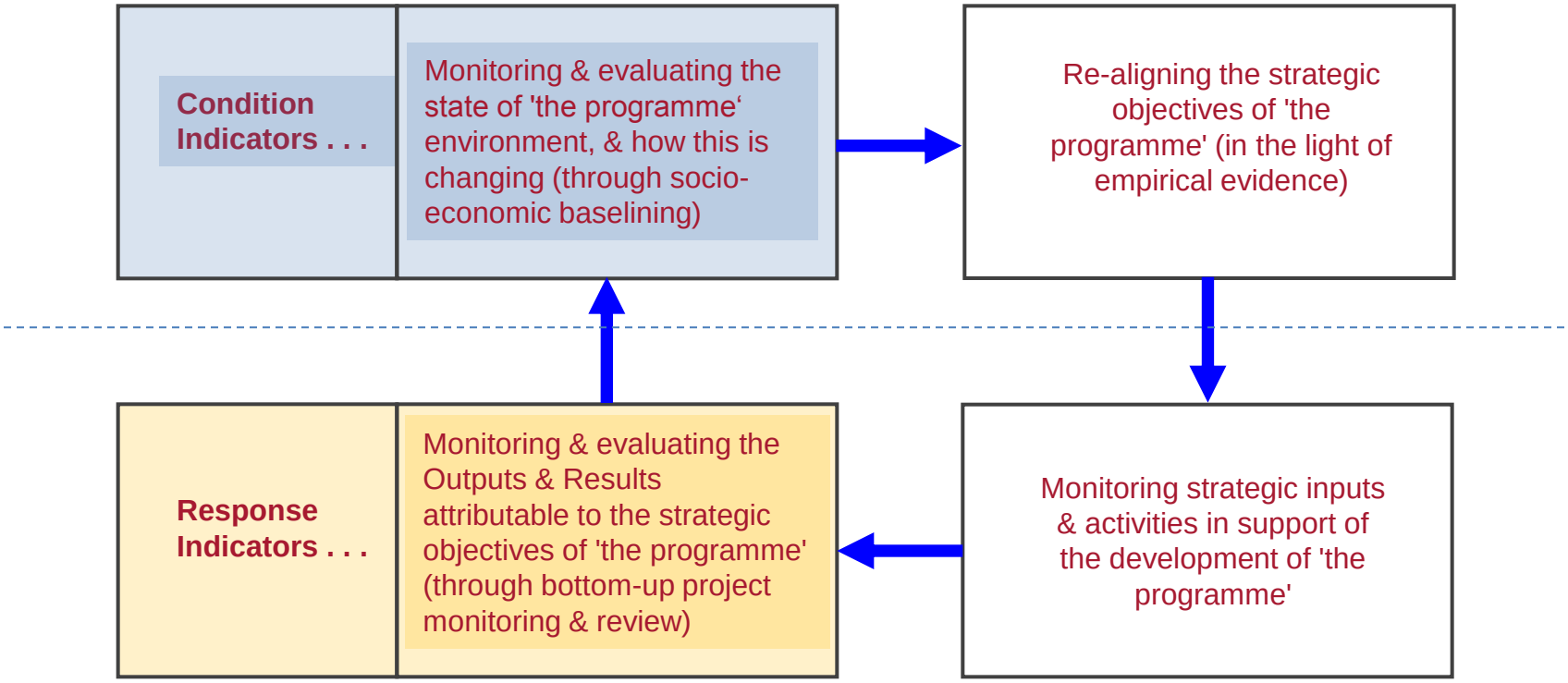
Concept 3: Data & Indicators framework



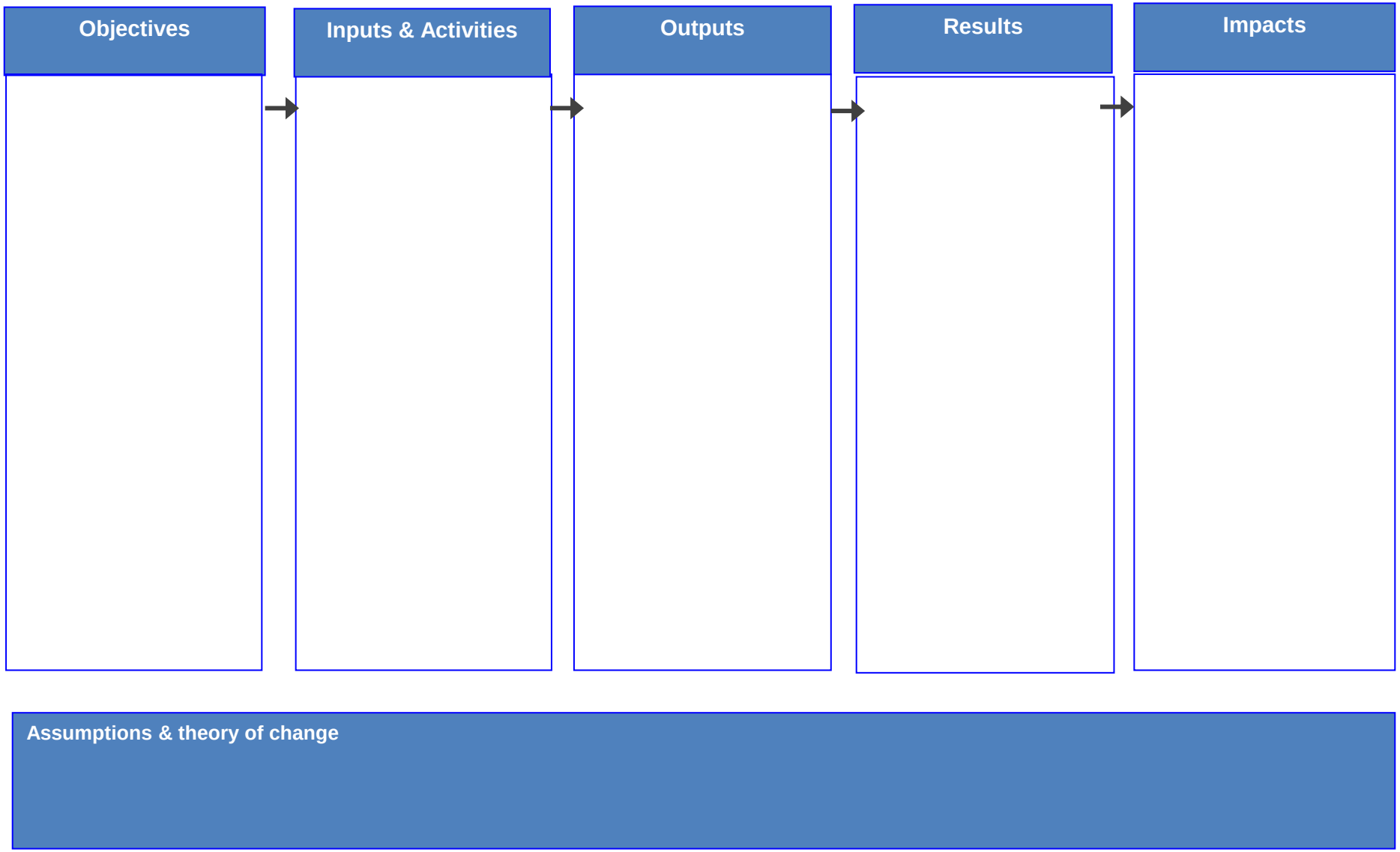
The critical importance of the Big O (Objectives)

- The link that holds the logic chain/ToC, Project Life Cycle, & M&E frameworks together
- All good interventions revolve around clear & sound Objectives

  'You should sweat blood when you are drafting programme/project objectives'
- So, 3 tests:

  1. Do your objectives align with the context & the rationale for getting involved?
  2. Are the objectives that you have defined 'SMART'
     - Specific, Measurable, Achievable, Realistic, & Time Bound
  3. Do the outcomes you have defined intelligently & fully capture what the objectives are seeking

From Objectives onwards . . .



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From Objectives onwards . . .

Objectives	Inputs & Activities	Outputs	Results	Impacts
Grow Enterprise & Business Development • ⇧ awareness of business support available, resulting in ⇧of x% by 20xx • ⇧ proportion of adults considering business start next 3 years by z pps by 20xx • Close reg/nat gaps in enterprise rates with <Prog Area> by z pp by 20xx • ⇩ gaps in enterprise of underrepresented spatial areas/sectors/groups with <Prog Area> by z pp by 20xx • ⇧ resilience of new businesses (survivals) by x% by 20xx • ⇧ business efficiency (measured by reduction in costs) & performance leading to ⇧ productivity by z% by 20xx • ⇧ adoption rate of e-Business to contribute to regional competitiveness by xpp by 20xx	• Cash rev budget €7m 20xx-20xx • In-kind partner/project budget €7m 20xx-20xx • E.g. GUNGHO 'Enterprise Start Project' • E.g. GUNGHO 'Mentor a Business Project' • E.g. GUNGHO 'e-commerce project'	**Business assistance to**: • Provide information • Start a business (pre-start & start-up support • Access finance (e.g. angel networks) • Improve business processes • Improve workforce • Improve resource efficiency **Businesses participating in collaborative projects to:** • Develop new products/services • Enter new markets (domestic or cross) or grow existing markets • Enhance supply chains	• ⇧ no of VAT registrations per 10k of adult population • ⇧ in self-emp rates • ⇧ in start-ups of high growth businesses • ⇧ total entrepreneurial activity • % of working age people expected to start business in the next 3 yrs (eg GEM) • ⇧ survival rates of new businesses • ⇧ business productivity (inc target sectors) • ⇧ net turnover & net cost reductions from new products/ processes/ services • ⇧ businesses engaging in new products/ markets/ processes • ⇧ proportion of growth companies compared to national average	• Increased Gross Value Added (GVA) • Increased Employment • Increased social equity • Reduced regional disparities within/across Prog Area

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Our Added Value – something to watch

- 5 aspects of SAV – the English Experience
  - **Strategic leadership & catalyst**: Articulating & communicating development needs in the programme area, opportunities & solutions to partners & solutions to partners & stakeholders in the programme area & elsewhere
  - **Strategic influence**: Carrying-out or stimulating activity that defines the distinctive roles of partners, gets them to commit to shared strategic objectives & to behave & allocate their resources accordingly
  - **Leverage:** Providing/securing financial & other incentives to mobilise partner & stakeholder resources – equipment & people, as well as funding
  - **Synergy:** Using organizational capacity, knowledge & expertise to improve information exchange & knowledge transfer & coordination &/or integration of the design & delivery of interventions between partners
  - **Engagement**: Setting-up the mechanisms & incentives for the more effective & deliberative engagement of stakeholders in the design & delivery of programme emphases

The importance of Contextual Factors

Outcome	Example sources
Business start-up rates	VAT registration data, national datasets
Stock of business units	Annual business surveys (incl by size/sector of business units)
Self-employment rates	Population surveys
Total entrepreneurial activity indicators	E.g. Global Entrepreneurship Monitor
Business investment in R&D	EU/National R&D & Innovation datasets
Proportion of businesses reporting skills gaps	National employer skills surveys/studies
Proportions of firms, which are innovation active	Innovation Surveys – EU & national
Employment & unemployment rates	Annual population surveys
Economic activity/ inactivity rates	Annual population surveys
Highest qualification level held	Annual population surveys
Number of hectares of derelict land	National land use datasets & surveys
Housing affordability	House prices, property ownership, incomes (Annual population surveys

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‘Surgery Session’ Part 2: what kinds of data & indicators do we need for different types of evaluation?

Evaluation Type (i) – Operational (Process & Procedures)

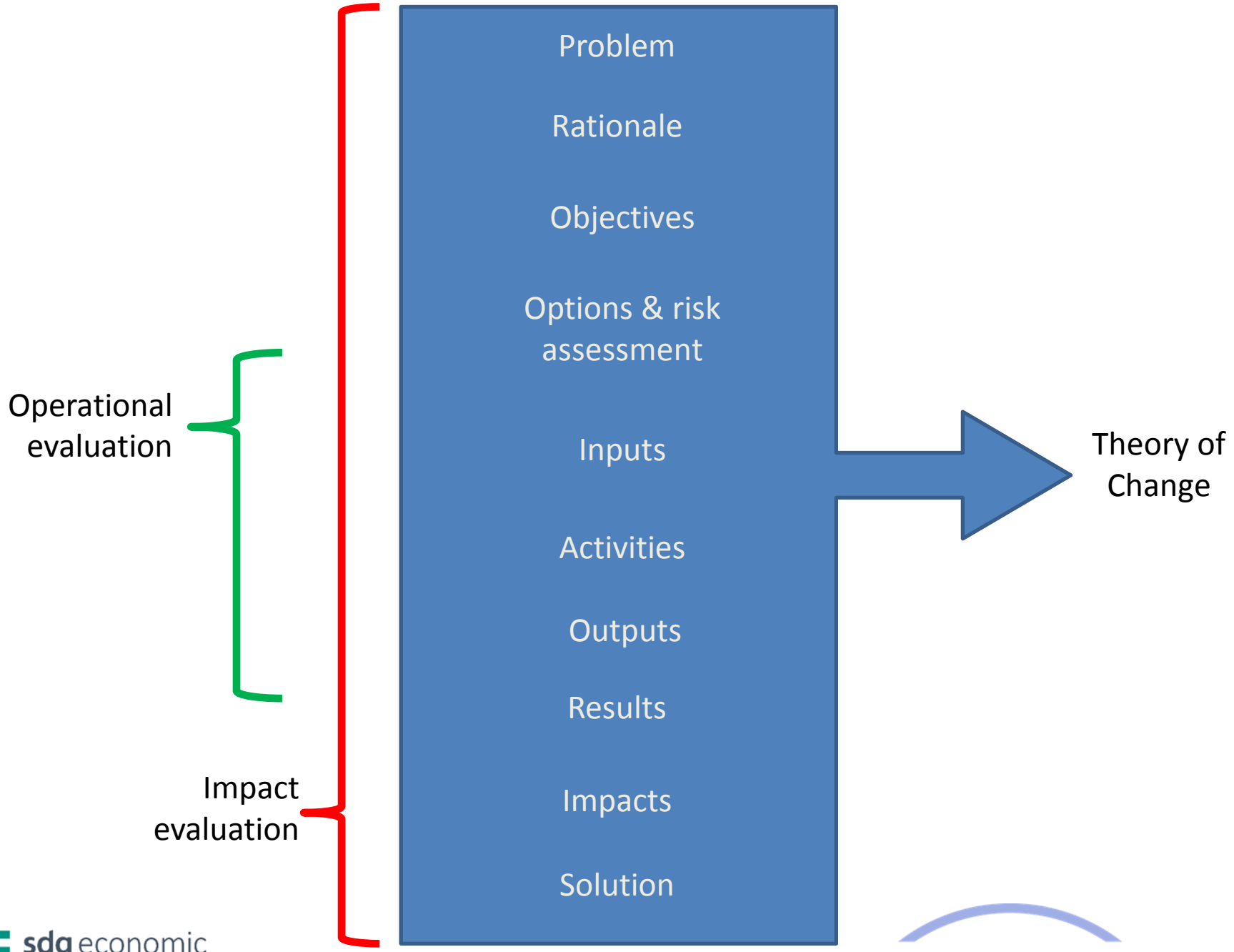
- *'How can effectiveness & efficiency be measured? What role can indicators play in assessing these, & what happens if we defined the wrong ones at the beginning?'*
- *'Is it really possible to evaluate efficiency & effectiveness since in InterReg there are only a small number of indicators & a small amount of projects/data at programme level, compared with the mainstream Operational Pogrammes'*
- *'Output indicators are quantitative, what about the qualitative aspects & how to ensure it?'*
- *'Are monitoring/financial data & programme implementation documents enough for operational evaluation?*

Evaluation Type (i) – Impact Evaluations

- *'What kind of data do we need for impact evaluation (theory-based), additional to the ones needed for Operational Evaluation?'*
- *'How to collect data for the impact evaluations? What should be taken into consideration in the first place?'*
- *'Many InterReg programmes doubt that Result Indicators can really tell them about the impact of their programme. Should we monitor Result Indicators (checking how things have changed) or rather do an evaluation?'*
- *'Can result indicators really tell us something about the impact of our programme? How to choose the right ones? Examples/best practice?'*
- *'Result indicators - are they necessary on the project level?'*
- *'How to deal with the assessment procedures if the programme results indicators are not fully aligned with the type of actions foreseen & the other indicators'*

And on to ToRs?

- *How to formulate Terms of Reference specific enough to ensure the same understanding of the data collection needs between the evaluator & the Programme & at the same time allow the evaluator to propose the most suitable methods?*



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Part 3: So, what to do with the information gathered?

What to do with the information gathered

- If you don't gather the information, you can't do anything with it!
- Monitoring is central to performance management of projects
- It should be carried out against specific output & outcome targets
- Five key stages to monitoring
  1. Define – adopt clear definitions of the indicators to be used – inputs, activities, outputs & results - & who is responsible for collection
  2. Forecast – as part of the programme's/projects appraisal process, a profile of the outputs should be forecasted
  3. Collect – ensure that that applicants have the systems in place to collect the activity & output data
  4. Report – applicants report quarterly to the programmes who should check activities/outputs claimed against profile, & as part of payment
  5. Verify – a rolling audit of projects will provide verification of outputs
- If done well, monitoring ensures all data also in place for subsequent evaluation

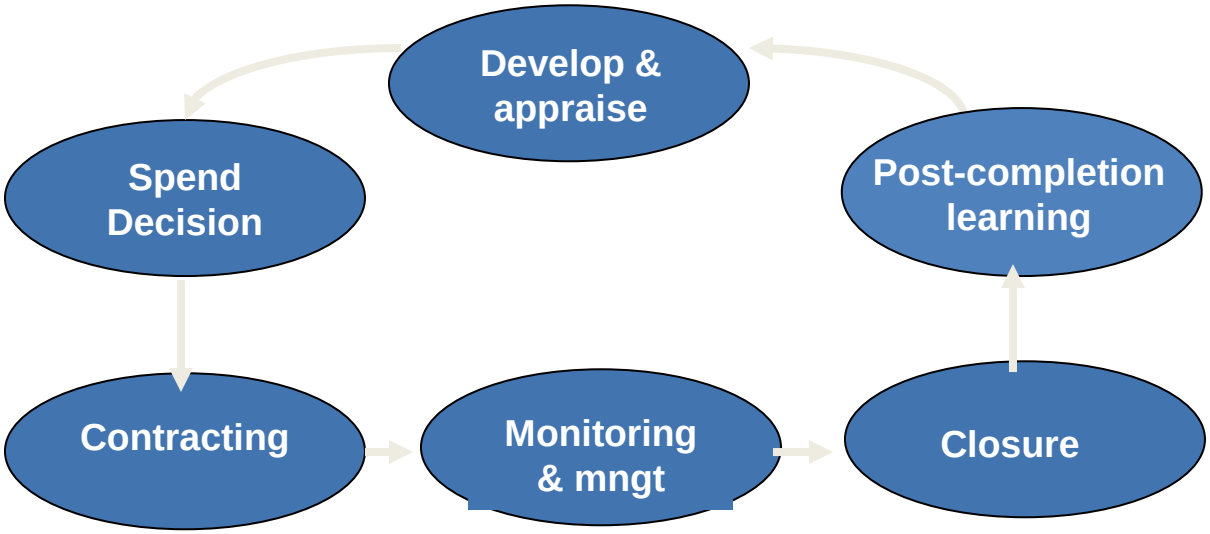
What to do with the information gathered

- Other considerations
  - Be clear on the different types of data & indicator
    - Secondary data from existing data sets (often as Condition data)
    - Primary data (project reports/returns, ad hoc surveys, other intelligence feeds, often as Response indicators)
  - What sorts of data/indicator 'shapes' (esp. Response indicators) you might except if things are running to plan
    - The value of benchmark & evaluations evidence – *' how did this similar intervention perform?'*
    - Think about performance risks in your data & indicator strategies – where could you be exposed?
  - Be constructively sceptical & probing about what is sent to you!

Driving information back into an actively managed project cycle

- Secures Objectives & Value for Money
- Crystallises the activity from the options
- Minimises inputs & maximises results

- Provides feedback to inform Programme design & development
- Allows for results/impacts reporting
- Makes for better project specification



- Reaches a formal decision with a clear audit trail

- Facilitates effective use of resources & allows contingency action

Do not treat your programme, or its projects, as being fixed in concrete. Use the data to flex & amend your interventions as they progress

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Driving information back into an actively managed project cycle

- For what's working well
  - Understand why, & may be do more of?
- What's performing poorly
  - Understand why, is it fixable, & potentially terminate contract to reduce further risk?
- No programmes or projects are initially perfect in the design & operation . . . high quality monitoring helps then become so

The trip wires to watch in working with monitoring data

- Attribution
  - How much of what is being reported is actually down to our input?
- Double-counting
  - Same outputs (usually) counted/reported multiple times – a major headache for evaluators!
- Quant, no qual
  - Numerical indicators easy for applicants to report . . . qualitative activities & outputs much harder, so often get overlooked
- Wood & Trees
  - Too much time on auditing the data compliance, not enough hard thinking if these are the right indicators

And on to evaluation . . .

- Primary purpose of evaluation is to learn lessons, both positive & negative.
- Evaluation can focus on:
  - A single project
  - A programme of activity or
  - The effectiveness of processes & management systems
- Evaluations usually have three elements:
  - A baseline – 'snapshot' of the Conditions that exist at the time that the project starts
  - Interim evaluation – a review of programme/projects at mid-point to consider any changes
  - Final evaluation – focusing on impact & lessons learnt or transferable to others

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Part 4: the Key Take Away Messages
A worked example

The Key Take Away Messages

- With reference to work done in 2015 on ‘Capitalisation’ aka maximising & sustaining impact
- Anonymised Interreg programme
- Despite busyness, Programme concern that not adding optimal value thru its interventions
- And keen to take evidence from applicants & project deliverers on how they saw things

Method & Work Done

- Macro-level analysis
  - quantitative information to take broad look at programme achievements (sample of 20 projects)
- Micro-level analysis
  - through semi-structured interviews with Project Leads (20 projects)
- Case studies
  - assessed as being instructive for the (then forthcoming) new Programme (10 from the 20 projects)
- Intentions . . . & achievements
- Summary look at the experience of two other similar programmes in terms of maximising & sustaining impact

What were projects trying to do? – Observations & explanations

- Projects typically had an *implicit* logic buried in their application form . . . but *explicit* logic stories in short supply
- Projects generally good on context, but much weaker on failure/need/rationale
- Also generally good on activities & outputs, less on results & impact
- In the round, a *'my project'* view rather than '*part of the Programme*' thinking

- Projects tended to see world through the lens of their own specialism
- Projects lacked project management skills that emphasised the delivery of sustainable results & impact
- Projects reacted to incentives i.e. Programme's own emphasis on outputs over results
  - in terms of valuing 'results', 75% highlighted their concept/proof-of-concept, 50% mentioned their platform/guidebook & 33%+ mention cooperation
  - Some projects dropped Results to provide Outputs

What were projects trying to do? Recommendations

- Problem context, analysis, & rationale the highest priorities to correct
- Projects should be clear absolutely on their underpinning logic, & ensure greater demand evidence
- System needed to incentivise delivery on results & impact, not activity & outputs

3 broad types of projects

Research-based project	Pilots/ demonstration-based project	Investment-based project
• tend to be dominated by academic & technical partners	• tend to have a mix between research partners & implementers e.g. local government	• tend to be dominated by implementing partners e.g. rail or utility companies

Partnerships & Project Design - *Observations, Explanations, Recommendation*

- Project partners found it difficult to work together without shared objectives
- Project results & impacts were harder to achieve & identify without shared targets
- Projects functioned more effectively when based on shared objectives rather than shared expertise/field of research
- Partnerships should be based on shared objectives, set out clearly for projects

How did projects do in reality? *Observations*

- High quality outputs often didn't lead to results/impacts
- M&SI usually conceived of as 'dissemination'
- M&SI often thought of in relation to outputs rather than results/impact
- Nature of issues being addressed by projects long-term (beyond project/programme lifespan?)
- Projects good at learning in relation to activities & outputs, less so at learning in relation to results & impact
- Requesting changes to projects seen as bureaucratic.

How did projects do in reality? Explanations

- Projects were responding to Programme incentives to report on outputs over results
- Conceiving of M&SI as dissemination led to a focus on outputs over results
  - M&SI usually attempted through events, putting outputs on the internet, working with new partners/target groups, influencing policymakers
- Projects often not designed to be able to deliver on long-term impacts
- Projects tended to assign responsibility for delivering activity & outputs, rather than results
- Projects tended to follow their workplans, rather than try to change course

How did projects do in reality?
Recommendations

- As before, being clear on logic & focusing on results over outputs is key
- M&SI needs to be understood as more than ‘dissemination’
- Projects need to assign responsibility for specific results & impacts to individual partners to strengthen accountability
- More flexibility would allow projects to adapt their workplans on the basis of evidence about results

Programme Monitoring - *Observations*

- Progress against ‘Priority Indicators’ couldn’t be judged until more projects completed
- Definitions of indicators often not clear
- Indicators usually measuring activity/output, not results/impact
- Apparent over-achievement on targets by some projects incredible, some (although not complete) not recording any achievement.

Programme Monitoring – *Explanations*

- Unclear definitions were open to misinterpretation or abuse, so targets not a reliable guide to veracity/effectiveness i.e. not meaningful
- Hard to monitor or verify project claims when indicators unclear
- Programme & project focused on ‘volume’ rather than ‘quality’

Programme Monitoring - Recommendations

- Programme M&E has to be right for project M&E to stand a chance of being right
- Need more impact indicators - but focus on quality of indicator, rather than quantity
- Need more informed target-setting/benchmarking - case for demand studies & evaluation repository

Proposal for Maximising & Sustaining Impact

Problem analysis	• To ensure the project is needed (includes demand assessment)
Logic model	• To ensure the project understands what it is doing & why (& can communicate this)
Focus on results & impact over activity	• To ensure the project is effective in achieving its objectives
Informed target setting	• To help monitor project progress & effectiveness
Accountability	• To ensure impact is delivered
Flexibility	• To allow projects to adapt & improve in order to maximise impact

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