

# MANUAL ON THE PRACTICE OF EVALUATION

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## 1 Evaluation types and their structure

If evaluation is effectively to be integrated in the programme or project cycle, it is necessary for the Evaluation and Control Unit (VII.6) to cooperate with the country and sector desks and the decentralised on-site structures.

At annual consultations with the heads of the country and sector desks and the heads of coordination offices, it is intended to bring the need for evaluation in line with the limited resources of the Evaluation Unit and in the long term to establish a systematic and balanced structure for evaluation activities.

### **There are three main types of evaluation:**

#### **Type I: external evaluation**

Type I evaluations of projects, cross-cutting activities and programmes are contracted directly by the Evaluation Unit. They are seen as having strategic importance for the Austrian Development Cooperation as a whole. The selection process is carried out in consultation with the operational units and the coordination offices as part of the annual planning procedures, which should establish a balanced mix of the key objectives, topics, intervention areas, agencies, project forms and instruments.

Evaluations of projects carried out on a direct / bilateral basis with a partner country (“national execution”), and projects which make a bilateral contribution to multilateral projects or programmes (“multi-bi”) can be contracted only by the Evaluation Unit. Here too the project documentation should already provide information on the planned evaluation or the reason for non-evaluation. As a rule, Type I evaluations are funded by the Evaluation Unit.

### **Type II: external evaluation**

With a view to coming closer to the principle “No project / programme without evaluation”, as formulated in the Guidelines, already the project documentation will have to either outline the envisaged evaluation or explain why no evaluation is planned.

Type II evaluations relate to bilateral projects which are generally carried out by implementing agencies or contractors. They are contracted and supervised by the country or sector desks or the coordination offices in consultation with the implementing agency / contractor and the Evaluation Department and are funded from the project budget. Wherever possible, co-financed projects or programmes should also be evaluated on these lines.

### **Internal evaluation**

Internal evaluations are contracted and carried out by the implementing agencies / contractors themselves. It makes sense for such evaluations to focus on these bodies' own activities. In the event that they are to be funded from the project budget, the procedure must be agreed with the official within Department VII responsible for the agency concerned and with the responsible country / sector desk and must comply with the principles and methods laid down in the Guidelines and the Manual. The costs can only be accepted during the accounting process if the evaluation report has been submitted to the country or sector desk and to the Evaluation Unit.

## **Evaluation step by step**

### **Type I: external evaluation**

#### **Step 1**

The Evaluation Unit launches a specific evaluation as detailed in the annual planning and in consultation with the on-site partner, the country / sector desk and the coordination office.

#### **Step 2**

The country / sector desk and the coordination office notify the implementing agency / contractor.

#### **Step 3**

The Evaluation Unit, with the participation of the country / sector desk, the coordination office and the responsible sector and topic desks, formulates the ToR.

#### **Step 4**

The Evaluation Unit runs the tender procedure (where expedient or legally prescribed) in accordance with the applicable guidelines.

#### **Step 5**

The Evaluation Unit selects the evaluation team. The country / sector desk and the coordination office may be involved in this process.

#### **Step 6**

The Evaluation Unit contracts the evaluators.

Step 7

The Evaluation Unit steers the process.

Step 8

The country / sector desk, the coordination office and the implementing agency / contractor and partners provide documentation and information.

Step 9

The coordination office and partners (possibly also the implementing agency / contractor) take part in the on-site briefing and debriefing.

Step 10

All the parties involved receive the draft report and submit their responses.

Step 11

The Evaluation Unit organises the presentation of the draft report in a form which it deems suitable.

Step 12

The Evaluation Unit approves the final draft of the evaluation report.

Step 13

The Evaluation Unit compiles a summary and assessment of the recommendations and of proposals for their implementation and sends this, together with the final report, to the head of the operational department. Where necessary, the Evaluation Unit will, in the form of an entry in the files, suggest mandatory reporting on the implementation of the recommendations.

Step 14

The Evaluation Unit may draw up written material or hold a meeting in which it informs the staff of the Department and of the implementing agency / contractor on generally applicable perceptions (lessons learned / best practices) gained during the evaluation process.

Step 15

Where a general interest in the results of an evaluation is voiced, the Evaluation Unit can issue invitations to a public presentation and/or discussion.

Step 16

The Evaluation Unit sends a copy of the evaluation report to the Austrian Foundation for Development Research (ÖFSE) and reports the finalised evaluation to the OECD.

## **Type II: external evaluation**

### **Step 1**

The country / sector desk and the coordination office, in consultation with the implementing agency / contractor and the Evaluation Unit, draw up the planning of the evaluation in the project documentation, define the priorities and the juncture of evaluation and earmark a part of the project budget for the evaluation.

### **Step 2**

The Evaluation Unit is officially notified of the planned evaluation in the course of the project approval procedure, makes a record of the earmarked funds and the scheduled time of the evaluation, and appoints the responsible official(s).

### **Step 3**

The implementing agency / contractor is informed of the evaluation through the project contract, the local partner organisation through its contract with the implementing agency / contractor.

### **Step 4**

The country / sector desk and the coordination office launch the evaluation as scheduled and notify the implementing agency / contractor and the Evaluation Unit thereof.

### **Step 5**

The country / sector desk and the coordination office define the ToR, select the evaluators and draw up a detailed list of costs and a payment schedule.

### **Step 6**

The Evaluation Unit approves the ToR, evaluation team and budget.

### **Step 7**

The country / sector desk and the coordination office contract the evaluation team on a service contract basis and monitor the process.

### **Step 8**

The country and sector desk, the coordination office and the implementing agency / contractor and partners provide documentary material and information and take part in the on-site briefing and debriefing.

### **Step 9**

All the parties involved respond to the draft report. The Evaluation Department also assesses whether the formal criteria have been complied with (e.g. if the ToR have been met, if the method was commensurate to the project etc.).

### **Step 10**

The country / sector desk can, in consultation with the Evaluation Unit, put on a presentation of the draft report.

### **Step 11**

The country / sector desk and the coordination office, in consultation with the Evaluation Unit, approve the final draft of the report.

#### Step 12

Having received the final draft of the report, the Evaluation Unit confirms that the expenditure on the evaluation has been correctly accounted for. This expenditure will be accepted only if the Evaluation Unit has been involved in the evaluation process, as outlined above.

#### Step 13

The Evaluation Unit compiles a summary and assessment of the recommendations and of proposals for their implementation and sends this, together with the final report, to the head of the operational department. Where necessary, the Evaluation Unit will, in the form of an entry in the files, suggest mandatory reporting on the implementation of the recommendations.

#### Step 14

The Evaluation Unit can draw up written material or hold a meeting in which it informs the staff of the Department and of the implementing agency / contractor on generally applicable perceptions (lessons learned / best practices) gained during the evaluation process.

#### Step 15

The Evaluation Unit sends a copy of the evaluation report to the Austrian Foundation for Development Research (ÖFSE) and reports the finalised evaluation to the OECD.

## **2 The decision to conduct an evaluation is taken ...**

### **AT THE PROJECT PLANNING STAGE**

if the planning of future project elements depends on the results of preceding stages

if there is a general need for regular evaluation (e.g. because of the extent of the financial resources employed or because of the sensitivity of the intervention)

if the Austrian Development Cooperation is applying new instruments or is cooperating with new partners, countries or sectors

if the aim is to gain experience through pilot projects, experiments or a gender-related or ecological approach.

if projects, programmes, targets etc. with a high political priority are being pursued

### **FOR SPECIAL REASONS DURING THE PROJECT OR AFTER ITS COMPLETION**

if implementation of the project proves particularly difficult

if the project is working particularly well

if something unforeseen occurs

if decisions have to be taken on changes or on terminating or continuing the project

if lessons to be learned from the current project are needed for similar projects

if it is necessary to maintain a balance in the overall evaluation activity (difficult / straightforward projects, successful / failed projects, geographical distribution etc.)

### **The decision not to conduct an evaluation is taken ...**

if the project is proceeding as scheduled

if sufficient information is available on the impact of the project

if the problems and their causes are known and the requisite problem-solving strategies are available

if this appears expedient in view of specific circumstances or events pertaining in the donor or partner country.

### 3 Terms of Reference (ToR)

Identifying those "areas of inquiry which raise the level of knowledge" is a key factor in the success of an evaluation. It is therefore necessary to invest sufficient time and energy in their formulation. A documentation stage, a preparatory meeting of the parties involved, or assistance from outside can substantially enhance the quality of an evaluation.

FOCUS ON THE PURPOSE OF THE EVALUATION	The purpose of the evaluation must serve as the basis for formulating the ToR, placing the emphasis firmly on the fundamental issues. It should be left up to the evaluation team to elaborate the details of the investigation and to determine the depth of detail required before the contract with the client is concluded.
QUALITY CRITERIA	The ToR should be formulated with reference to the quality criteria defined in the Guidelines.
CROSS-CUTTING ISSUES	The cross-cutting issues (poverty reduction, gender equality, ecology, and democracy / human rights) should generally be treated as an integral component of the evaluation. However, to ensure that they are taken into account it will be necessary to include specific avenues of inquiry.
PARTICIPATION	In the partner country the formulation of the ToR should be carried out in consultation with the partner organisation or, in the case of national execution, with the responsible representatives of the partner country; in the donor country with all the main parties involved.
TECHNICAL FRAMEWORK	Information on time and duration (for journeys and in total) Survey of material to be studied and persons / institutions to be consulted Size and composition of the evaluation team (country of origin, gender, career background, experience in development-related work etc.).
FORMAT	The format "Description of duties" (ToR) is designed to serve as a "maximum guideline" and should be individually gauged to the purpose of the evaluation.

## 4 The evaluation team

INDEPENDENCE	<p>To ensure the overall credibility of the evaluation results, the members of the evaluation team must be independent of the donor and of the responsible authorities and/or the partner organisation in the recipient country. Truly independent evaluators can contribute new perceptions.</p> <p>Exceptions to this requirement may be made in certain circumstances. Where a project is not controversial, it may prove advantageous to use an evaluator from the participating organisation of the donor or recipient country. Arguments in favour of internal evaluators are: thorough knowledge of the project and of local conditions, and better feedback channels for the evaluation results.</p> <p>People directly responsible for the project should never belong to the evaluation team. During the evaluation procedure it is often their job to provide the requisite information and logistics. But they should not have any opportunity to influence the course of the evaluation as such.</p>
DEVELOPMENT EXPERIENCE AND CAREER BACKGROUND	<p>The members of the evaluation team should do their work in accordance with the tenets outlined in the general principles. By and large they should accord higher priority to learning-by-doing than to their control functions.</p> <p>As a rule the evaluation team should be made up of at least two people with different professional qualifications. Apart from expertise in their specialist fields they should have experience in development work and an understanding of administrative matters and interdisciplinary approaches.</p>
GENDER PERSPECTIVE	<p>The evaluation team consists of both men and women. At least one team member should be specialised in gender issues. The team leader is responsible for ensuring that the gender aspects are integrated in the report.</p>
PARTNER COUNTRY PARTICIPATION	<p>At least one team member should be from the partner country or region in order to ensure compliance with the principles outlined in the Guidelines on the participation of the partner country and also to build independent evaluation capacities in the long term. The locally recruited team member(s) will participate in the evaluation on an equal footing.</p> <p>Wherever possible the experts and institutions should be selected in consultation with the partner country. This is mandatory in the case of national execution.</p>

## **5 Work schedule for evaluation, necessary clarifications before finalising the contract**

The work schedule for the evaluation should contain a clear description of the activities to be carried out by the evaluation team. It should be apparent from this description why, how, when and where the activities are to be performed.

Where tenders are being invited, the tenders should constitute the bidders' interpretation of the ToR or their translation into operational terms.

The detailed work schedule should always be drawn up by the evaluation team – generally by the team leader – and agreed upon by written contract with the client.

STEPS Further joint discussion of the main problem areas, clarification of open questions

Substantiated selection of method / approach – disclosure of sources

Discussion of selected methods, also in the light of the available data and the costs entailed

Discussion of the reliability and significance of the data

Work schedule and timetable

Binding nomination of the team leader

Delineation of the individual team members' areas of responsibility, binding definition of responsibility for integrating the gender issue

Systematic compilation of the relevant material and of a list of persons to be consulted

Chronological sequence of the individual project stages, important changes etc.

List of on-site times in the partner country

List of project-related financial transactions

Signing the contract (Format Service Contract, see Appendix)

## 6 The participation of the partner country / partner organisation in the evaluation

In accordance with the Guidelines, the concerned parties in the donor and the recipient countries should be involved in the evaluation process on an equal footing. Thus, the decision to carry out an evaluation should be contained already in the bilateral agreements or in an additional agreement which specify the time, type and extent of the evaluation and the participation or non-participation of the donor and recipient countries. If no evaluation was originally envisaged, both sides can recommend one.

The involvement of the recipient country also depends on the local evaluation capacity. In some cases it may prove difficult to find enough qualified local evaluators. However, any insufficiency in terms of professional qualifications will usually be offset by inside knowledge of the specifics of the recipient country. Locally recruited evaluators should always be involved in the evaluation team's work on an equal footing.

The composition of the evaluation team is just one aspect of the recipient country's participation. The long-term goal should be the equal involvement of both partners in every stage of the evaluation process. This will help to enlarge the scope of the partnership and substantially enhance the quality and credibility of an evaluation carried out on the basis of a jointly formulated mandate, of a jointly selected evaluation team, of comprehensive information supplied to the evaluation team by all the parties involved, and of responses to the draft report.

DECISION-MAKERS IN THE PARTNER COUNTRY	<p>The evaluation is agreed in the project agreement</p> <p>The partner country / organisation</p> <ul style="list-style-type: none"><li>• responds to the ToR</li><li>• provides the evaluation team with information at the onset of the evaluation</li><li>• discusses the results / recommendations before the team's departure</li><li>• writes a commentary on the draft evaluation report</li></ul>
EVALUATION TEAM	<p>The evaluation team includes at least one member from the partner country / region</p> <p>Further local expertise is engaged for the purposes of, for instance, subcontracts or partial studies</p>
INVOLVED PARTIES AND GROUPS AFFECTED	<p>The methods chosen actively involve the immediate recipients in the evaluation process, for instance through focus groups, open discussion fora, participatory observation, group interviews etc.</p>

## 7 The evaluation report

The team leader is responsible for the content and form of the final report. She/he must ensure that it reflects the views of all the team members, most notably the locally recruited evaluators. If the team members are unable to agree on a joint standpoint, especially in the section “Conclusions and recommendations”, then the divergent view must be recorded. The team leader is ultimately responsible for the adequate inclusion of the gender aspect and other cross-cutting issues.

1 SUMMARY	Summary of the conclusions and recommendations and summary according to the OECD/DAC format
2 INTRODUCTION	Background to the evaluation Method and approach Scope and limitations
3 PROJECT PROFILE	Background and planning Logical framework and (any) changes that have occurred
4 RELEVANCE	Relevance in terms of the partner country’s priorities Relevance in terms of the donor country / organisation Relevance in terms of the target group’s/groups’ needs
5 EFFICIENCY	Targets achieved in proportion to resources expended (cost-benefit)
6 EFFECTIVENESS	How and to what extent did the project realise its objectives? Factors and processes which affected the achievement or non-achievement of the objectives
7 IMPACT	Intended and unforeseen effects at all levels Factors and processes which account for these effects
8 SUSTAINABILITY	Factors which promote or impede sustainability
9 CONCLUSIONS / RECOMMENDATIONS	Conclusions and recommendations (project-related, with clearly stated addressees)
10 LESSONS LEARNED	At the operational / administrative levels At the development and sector policy levels
11 Format	Available (Appendix) as a “maximum guideline” (including OECD/DAC format), to be adapted on a context basis

## 8 Final stages: from preliminary draft to final evaluation report

A communicative process involving all the parties concerned needs to take place between the preliminary draft and the final evaluation report. Before the final version of the report is completed, all those who were the subject of the evaluation must have an opportunity to comment, make factual emendations, clear up any misunderstandings and record a divergent view.

Before their departure from the recipient country, the evaluation team should present the main results and the conclusions and recommendations (debriefing).

The evaluation team's presentation of the preliminary draft of the report is an apt method of compiling and coordinating the views of all those involved and integrating them in the final report. Particularly in the case of evaluations contracted and supervised by the country / sector desk and the coordination office (Type II evaluation) it makes sense to have the evaluation report presented in the partner country.

COMMENTS on the preliminary draft by client, "evaluated persons", country / sector /topic desks

Were all the main questions dealt with?

Has sufficient empirical evidence been produced to substantiate the results?

Has all the relevant information been taken into account?

Have the limitations on content and data collection been justified?

FINAL EDITING (evaluation team leader, client)

Have all the comments been considered?

Is the form of presentation appropriate (structure and language of the report, tables, illustrations, documentation, cross-references etc.)

## 9 Feedback on the evaluation results

Experience is beneficial only if we know how to learn the lessons it can teach us. If we pass on our experience, we enable others to reap the benefits as well.

Every evaluation team is called upon to formulate the lessons learned and to draw up their recommendations for the remainder of the current projects and/or for subsequent projects and programmes. The Evaluation Department's contribution is to pass on these perceptions in such a way that others can learn from them – thereby enhancing the quality of development work as a whole.

<b>FEEDBACK</b>	<b>DESCRIPTION</b>	<b>PLAYERS / ADDRESSEES</b>
ON CURRENT PROJECTS	Summary and assessment of recommendations and proposals for their implementation	Heads of operational desks, country / sector / topic desks; Implementing agencies / clients, project partners
ON NEW PROJECTS AND ACTIVITIES	Relevant evaluations are discussed during the planning stage. Proposals for new activities are subject to an <i>ex ante</i> evaluation	Country / sector / topic desks; Staff, implementing agencies / contractors Evaluation Department
ON PROGRAMMING ACTIVITIES	Seminars and other events for discussing evaluation results	Decision-makers, staff of Department VII and/or implementing agencies / contractors
ON MANAGEMENT BODIES	Evaluation report or orientation meeting	Senior officials in Department VII
ON STRATEGY DEVELOPMENT	Strategic planning, manuals, check lists	Staff of Department VII and/or implementing agencies / contractors
ON TRAINING AND FURTHER TRAINING	Utilisation of evaluation results in training and further training, in the definition, implementation and evaluation of new projects	Staff in various areas of development cooperation

## 10 Possible instruments for ensuring feedback of evaluation results

<b>INSTRUMENT</b>	<b>DESCRIPTION</b>	<b>TARGET GROUPS</b>
PRESENTATION OF DRAFT	Statements, discussion of the various approaches, joint learning-by-doing	Evaluators and all persons involved in the evaluated project / programme, operational units, Evaluation Unit, topic desks
SUMMARIES	Synopsis of the project / activity with conclusions and recommendations; standard format	Various target groups in and outside Department VII; OECD
CROSS-CUTTING ANALYSES	Survey of several evaluations allows strategic decisions; evaluation of the evaluation process (meta-level")	Political decision-makers; Head of Department, planners at all levels; topic officers
NEWSLETTERS, quarterly	Electronic newsletter service reporting on a result-oriented basis on completed evaluations (internal and external) and general evaluation-related topics	Various target groups in and outside Department VII
ANNUAL REPORTS	Survey of the Evaluation Department's activities, focusing on learning-by-doing	Wide range of recipients, also in partner countries
TOPIC-ORIENTED REPORTS	E.g. on the evaluation "Small-scale loans", which also includes the research and evaluation results of other donors, partners' approaches, bibliography	Wide range of recipients, also in partner countries
SEMINARS	Discussion of the evaluation results; planning of the evaluation process; training and re-training	Decision-makers in donor and recipient country who are directly involved
ÖFSE	Reference library open to the public	General public, students, researchers

## 11 Support provided by the Evaluation Unit

The purpose of the present manual is to incorporate an important part of the evaluation process in the project cycle and to make it the responsibility of the country and sector desks and coordination offices. It is the task of the Evaluation Unit to support and advise those involved in evaluation activities and to ensure that the evaluation results are systematically fed back to all levels of Austrian Development Cooperation.

GENERAL (work in progress)	Compilation of useful documents and Internet links on e.g. methods, information on international developments and trends (e.g. conference reports, material published by other evaluation departments); training and further training (suggestions welcome)
DECISION TO EVALUATE	Can / should be taken jointly in case of doubt
BUDGET PLANNING	The experience gathered by the Evaluation Unit should be used in drawing up a realistic draft budget.
TERMS OF REFERENCE	Format; Advice on the precise formulation of the questions ("Purpose of Evaluation")
SELECTION OF EVALUATION TEAM	Inquiries can / should be made into past experience with prospective experts. Benefit can be derived from established cooperation with other evaluation departments (first and foremost in Germany, The Netherlands and Switzerland).
CONTRACT	Format; In case of doubt, the Evaluation Unit should be consulted before the contract is signed.
WORK PLAN	Control of the price/performance ratio (comparison with other evaluations)
EVALUATION REPORT	Format; In case of doubt assessment of the adequacy of the performance.
FINAL WORK STAGES	The Evaluation Unit provides support in assessing whether the formal criteria have been met and suggests improvements where necessary.