Nepal – Significance of Management Response to Evaluation towards Promotion of National Evaluation Capacities in Nepal

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Management response to evaluation (MRE) is a tool to assess the post-evaluation process to use findings and recommendations in the decision-making process. A critical examination of the qualitative and quantitative status of evaluation in terms of demand and use in Nepal explicitly through MRE among Government ministries designated as state organizations (SOs) and development partners designated as non-state organizations (NSOs) has been conducted. Semi-structured questionnaire survey has been the key instrument of this study. The study administered eleven rudiments of MRE for assessing the current status of 15 SOs and 20 NSOs in Nepal embedded in a set of 16 questions and several sub-questions.

Qualitative analyses of survey data revealed Government ministries or SOs as 'weak' in terms of implementation of evaluation – policy, resource management and use. However, a few practices among a couple of SOs are encouraging, i.e. improved design of Nepal Health Sector Programme (NHSP)-III using the evaluation recommendations of NHSP-II. Similarly, many SOs have begun following the National Planning Commission (NPC)'s M&E Guidelines, 2013. On the other hand, development partners, or NSOs, are relatively better and ranked 'moderate' in all respect. These findings are consistent with the quantitative analyses of data through MRE index calculation. The MRE indices are calculated to be 0.262 for the government ministries (SOs) and 0.413 for development partners (NSOs) respectively. The average MRE index for Nepal is thus 0.337, which is alarmingly low towards achieving the post-2015 Sustainable Development Goals (SDGs).

INTRODUCTION

MRE is emerging as a powerful tool to enhance the demand for and use of evaluation findings to make decisions and improve action in terms of policy formulation, planning or implementation of development interventions. More specifically, it is a post-evaluation follow-up management action plan that addresses the evaluation findings, be it in SOs or NSOs, particularly the demand side such as government ministries, UN agencies, donors, INGOs, and

NGOs. It also provides guidance to evaluators of the supply side in providing more practical, specific, clear and meaningful recommendations. MRE, therefore, promotes evaluation use, reflects status of evaluation use, and helps create more demand of quality inputs for decision-makers towards meeting the SDGs.

This paper aims to develop and demonstrate how the MRE would strengthen an enabling environment and promote evaluation by assessing evidences on the demand for and use of evaluations towards the integrated development of Nepal. The specific objectives of the study are:

1. to substantiate the use of the MRE tool; and

2. to develop MRE index for quantitative monitoring of the extent of evaluations being conducted.

METHODOLOGY

Respondents (samples) were selected from government ministries under the SOs group and developments partners under the NSOs group, which include UN agencies, donors, INGOs and NGOs. Purposive sampling techniques were used for data collection. Questionnaires were sent to selected respondents in advance via e-mail or manually depending upon their choice. A combination of face-to-face interview and/or e-mail or telecommunication was used as follow-up tools depending upon the respondents' convenience.

Government ministry level organizations were selected for this study as they are largely responsible for monitoring development interventions being implemented by departments and/or other entities of the State under their respective ministries. Selection of the ministries was based largely on the volume of their engagement in development activities and their readiness for interaction with MRE study team. Selection of NSOs was on the basis of their presence in the country, scale of involvement and ease of approaching them.

A semi-structured questionnaire was the key instrument used for the study. It was developed in such a way as to capture criteria for establishing the MRE index, which has a scale ranging from 0 to 1. For instance, '0' indicates no review of evaluation, no sharing of evaluation with stakeholders and no evaluation findings used for decision-making. Index score '1' informs that all evaluations conducted are reviewed, action plans made for every evaluation reviewed, complete implementation of action plan, complete sharing of evaluation and MRE plan with all concerned stakeholders and every evaluation is used for decision-making.

Details of surveyed organizations (respondents) are given in Table 1.

KEY FINDINGS AND IMPLICATIONS

Three parameters used for MRE index calculation, namely Evaluation Policy (P1), Resource Management (P2) and Technical (P3), and their respective sub-parameters are central to underlying deliberations based on content analysis of the survey. An attempt has been made to compare the evaluation scenarios between two broad groups, namely 15 government

TABLE 1. STATE AND NON-STATE ORGANIZATIONS SURVEYED

ORGANIZATIONS	BROAD CATEGORY	TARGET SAMPLE	ACTUAL SAMPLE
Government Ministries	State Organizations (SOs)	12	15
UN Agencies	Non-state Organizations (NSOs or Development Partners)	6	5
Donors		6	5
INGOs		6	6
NGOs		6	4
Total		36	35

ministries or SOs and 20 development partners or NSOs represented by UN agencies, donors, and INGOs/NGOs, contributing to the SDGs of Nepal.

EVALUATION POLICY ISSUES

The study revealed that five out of 15 SOs (34 percent) have an evaluation policy while seven (46 percent) adopted the NPC M&E Guidelines. Twelve organizations conducted evaluations. The remaining three SOs (20 percent) neither had an evaluation policy nor followed the NPC Guidelines but considered following them. In terms of number of evaluation conducted, SOs topped the list with 1,366 evaluations in last five years. Respondent tried to justify this drastic difference between the use of evaluation against the number of evaluation conducted on the huge number of short-term (1-2 year) projects being implemented in a year. For instance, 1,006 short-term projects were approved and being implemented by NGOs/INGOs within single fiscal year 2013-2014 alone. It is clear that having an evaluation policy and conducting evaluations are not enough to support the SDGs, as is evident from further analysis. Adequate evaluation policies aligned with the country's development needs together with their effective and efficient implementation are more important to meeting the SDGs. Weak performance of the Government in the last several decades with only 3.6 percent GDP growth[32] (real growth rate for last 15 years) provides evidence of an implementation gap. This is in compliance with the lack of adequate efforts among SOs towards institutionalization, capacity-building, systematic documentation, enabling environment and adequate resource generation, among others, revealed in this study. These facts dissuade concerned government officials from assuming responsibility in general. The specific gaps identified by respondents' own submissions are:

1. No mandatory system of standard monitoring, documentation and evaluation,

2. Resource constraints – both, human and financial,

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32   Data taken from <http://www.indexmundi.com/g/r.aspx?c=np&v=66>.

3. Monitoring and evaluation of programmes and projects are more a formal process focused on outputs rather than outcomes in terms of relevance, effectiveness, efficiency, and sustainability,

4. Lack of capacity both on demand and supply sides.

Nineteen out of the 20 NSO respondents (95 percent) had their own evaluation policy that guided their evaluations. All 20 conducted or commissioned evaluations of development interventions. No significant gap and/or weakness was noticed among NSOs, except local NGOs. However, each of these NSOs was following different procedures, norms and standards while conducting/commissioning evaluations, creating confusion among the implementing agencies.

In terms of MRE policy, SOs are found to be quite weak although seven out of 15 respondents (47 percent) claimed to have such internal policies. When asked about MRE action plan and implementation status, there were no satisfactory answers, indicating poor understanding of the purpose of a MRE policy. Only one out of 15 ministries reported having an MRE action plan to use evaluation findings. This is not surprising as MRE still remains a new approach for Nepal. Even the NPC, the leading government organization for monitoring and evaluation in the country, is yet to introduce a MRE policy framework. However, the NPC has prepared the first draft of M&E Bill-2015 (28 June 2015), which was circulated to relevant stakeholders for feedback. This bill in Section 23 addresses MRE requirements.

Whereas 13 out of 20 NSOs (65 percent) said they had a MRE action plan, a majority do not have a standard for implementation. A majority, except local NGOs, said they had no problems in implementing the action plan.

These findings are indicative of urgent advocacy needs for the Government for building awareness, institutionalizing systematic documentation and improving implementation of evaluation policies at large.

RESOURCE MANAGEMENT GAP

Analysis of the resource management parameter (P2) is based on the extent of financial resources supplemented by information on human resources based on open-ended questions of the questionnaire.

A significant gap has been reflected during face-to-face interviews with SOs. The survey revealed the status of fund availability for evaluation among ministries as 1-fully adequate, 5-partially adequate and 8-not available, respectively. On the other hand, allocated funds for even priority interventions are not spend due to inefficient resource management. There is virtually no tracking system of evaluations conducted or commissioned and practically no assigned focal point in any ministry. Day-to-day work is based on an understanding among the staff of monitoring and evaluation division. With such a resource management gap, how can the Government cope with highly ambitious development goals such as post-earthquake reconstruction?

As expected, the situation among NSOs is better but not to the desired extent. Out of five donors, four described funding as fully adequate and one as partially adequate. Among

five UN agencies, three said funds were fully adequate while two reported they were partially adequate. The responses from INGOs were: two-fully adequate, three-partially adequate and one-no funds. It is surprising to note that even in UN agencies, funding is not always adequate despite the existence of an evaluation focal point responsible for tracking.

EVALUATION USE

Technical parameter (P3) is the most important part of this study. Below are the findings of content analysis such as evaluation review, MRE action plan, evaluation sharing, evaluation for decision-making, among others.

The study revealed that only 10 out of 481 (2 percent) mid-term evaluations were reviewed whereas 35 out of 605 (6 percent) terminal evaluations were reviewed from among SOs group in the last five years. Responses from various ministries were inconsistent. Some respondents mentioned they did not know how many evaluations were reviewed in the past, as there was no documentation system. Other respondents said evaluations being conducted were reviewed, without mentioning a figure.

In the case of NSOs, almost all evaluations (> 90%) were reviewed. Five out of five donors said they had a consistent standard MRE process including review. Four out of five UN agencies explained evaluation review through the MRE process. However, several questions linked to MRE process were responded to as 'not applicable'. The situation with INGOs was better – four out of six do have MRE processes including review similar to donors. None of the NGOs had MRE at all.

Regarding MRE action plan, government ministries were rather confused while responding to the questionnaire, as they were not aware of the implications of evaluation recommendations. However, they provided overwhelming reasons for not having an MRE action plan by citing all possible options listed.

The scenario is different with development partners (NSOs), as many of them have an MRE action plan. Thus maximum frequency for not having an action plan is five as compared to 10 of SOs. Their option is for (ix) 'specific reasons' under which they mentioned – "donor will provide recommendations/comments and the implementer will have to be responsible for action plan". Similarly, one frequency each for options (i) 'inadequate technical skills' (ii) 'financial constraints', (iv) 'no importance given to evaluation' and (vii) 'less relevant to make decision' respectively out of 20 NSOs was noticed.

It case of government ministries (SOs) a total 57 out of 1,086 (5 percent) of evaluations were shared to key stakeholders including grassroots beneficiaries. Notably only nine out of 1,086 (< 1 percent) evaluations were shared with grassroots beneficiaries. Importance was given to donors or government line agencies sharing 17 evaluations out of 1,086 (> 1.5 percent) to each of them. This finding raises a critical question on validity of participatory approach, one of the fundamental strategies of the SDGs. This finding warrants urgent advocacy initiatives from the Government while implementing development interventions, given that numerous short-term projects are being implemented by INGOs through NGOs. For instance, 1,006 short-term projects were approved for implementation in FY 2013-2014.

Practice of sharing evaluation findings with grassroots beneficiaries would certainly improve relevance, effectiveness, efficiency and sustainability in general.

The evaluation sharing scenario is far better in case of development partners (NSOs). They shared 77 out of 280 (> 27 percent) evaluations with grassroots beneficiaries and 128 out of 280 (> 45 percent) with government line agencies.

Use of evaluation findings for decision-making is one of the important attributes of MRE. It was revealed that 40 out of 1,086 (< 4 percent) evaluation reports were used for decision-making in the past five years by ministries (SOs). But this is exclusive of six SOs (40 percent), which responded as 'don't know' or left the entry blank. However, some SOs provided an excellent practice of integration of evaluation recommendations for decision-making as follows:

1. **Education Sector:**

   - Past evaluation findings were used in planning and budgeting of new fiscal year's annual as well as periodic programmes.

   - New education policies were announced only after reviewing past evaluation report, for instance, change in the examination system of school leaving certificate (SLC) including the curriculum structure of school education.

2. **Health Sector:**

   - Recommendations of terminal evaluation of National Health Sector Programme (NHSP-II) were used to improve the project design of NHSP-III.

3. **Infrastructure Sector:**

   - Eastern section's mid-term evaluation recommendations used for Western section of Mid-hill highways in Nepal through consultation with local stakeholders involved in the project design.

The cases above are exemplary and the Government should encourage such practices by rewarding those involved.

In the case of development partners (NSOs), respondents said that more than 90 percent of the evaluation reports are being used for decision-making, particularly for designing new projects. Lessons learned are also being used in those projects where applicable. Thus, development partners (NSOs) are found to be more systematic in terms of use of evaluation for decision-making in general.

MRE INDEX

The MRE index has been calculated from the analysis of quantitative data of sub-parameters or variables pertaining to each surveyed organizations, namely government ministries which forms a single group whereas other development partner organizations (NSOs) which include donors, UN agencies, I/NGOs that jointly form the NSOs group. Quantitative assessment of MRE index parameters revealed are 0.262 for the Government ministries (SOs) and 0.413 for development partners (NSOs) respectively. This quantitative result conveys to all

stakeholders the need to improve delivery in the use of evaluation in terms of MRE index-related variables.

CONCLUDING REMARKS

Feedback from many respondents, particularly from government ministries, shows that this study has generated ripples of awareness and provided an opportunity to initiate dialogue on neglected issues of evaluation policy, generating an impetus for overall promotion of evaluation culture in Nepal.

It is conclusive that SOs group are 'weak' in terms of implementation of evaluation policy, resource management and use despite one third of them claiming to have a sectoral evaluation policy. And except a few organizations, all others adopt the NPC's M&E Guidelines-2013. Further in-depth analysis of the use of evaluation clearly demonstrated that government ministries are hardly sharing evaluations with grassroots beneficiaries. Instead, their focus is found to be on donors and government line agencies. Similarly, the practice of evaluation use on decision-making is poor except for few good practices by government ministries.

The situation with development partners, or NSOs, is comparatively better. However, simplification and standardization of the post-evaluation process is much desired especially for those development partners having nascent evaluation culture in their agencies.

Evaluation policy is critical in ensuring that evaluations are conducted and used to account for performance results of any agency mandated, be they government ministries or development partners working in Nepal. Above all, this study demonstrates the dire need of national evaluation capacity development in Nepal in order to achieve the SDGs.

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