
Achieving National M&E systems resilience through incentive schemes

THANIA DE LA GARZA

ALONSO DE ERICE

NEC PRECONFERENCE WORKSHOPS

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thania.delagarza.ngmail.com

alonso.deerice@gmail.com



Who am I? Who are you? Who is everyone else?



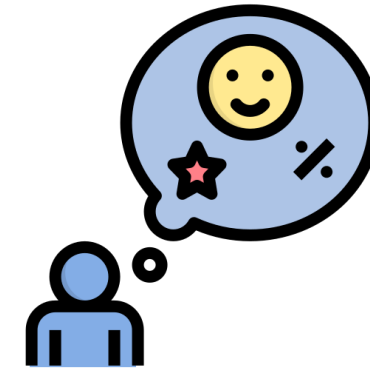
WHAT IS YOUR NAME?



WHERE ARE YOU FROM?



HOW ARE YOU
INVOLVED IN M&E?



WHAT ARE YOUR EXPECTATIONS
FROM THE WORKSHOP



Please be back at 1:15

Why we talk about
incentives in M&E
systems?



What is an M&E System?

When we talk about GEI's focus on monitoring and evaluation (M&E) "systems" we do not mean just the feedback systems that may guide program implementation or discrete evaluation studies that may be done.

What we mean is a country's overall ecosystem around M&E – all the structures, attitudes, incentives, approaches, policies, laws, behaviors, skills and abilities that contribute to whether robust monitoring, evaluation and evidence use happens.

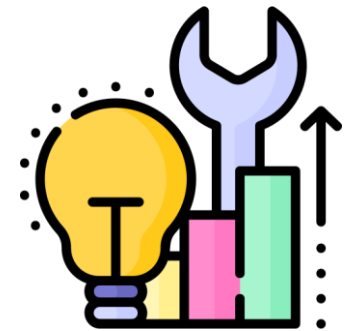


M&E reveals to what extent government programs and policies have achieved their objectives, thus providing the evidence needed to ensure strong accountability to parliament, civil society, donors, citizens and to the various government bodies, all of which can provide incentives to improve performance.

UNEG-ILO

" Monitoring and evaluation systems are powerful tools for improving the performance of institutions. When designed appropriately with a positive scope, they generate feedback for improvement, they can become a strategic input for enhancing effectiveness, and they can provide incentives and recognition for success"

Miguel Székely



Where do incentives come in?

M&E lets us know to what extent government interventions have achieved their objectives, providing the evidence needed to ensure accountability to parliament, civil society, donors, citizens and to the various government bodies, all of which can provide incentives to improve performance.



Incentives for using M&E information

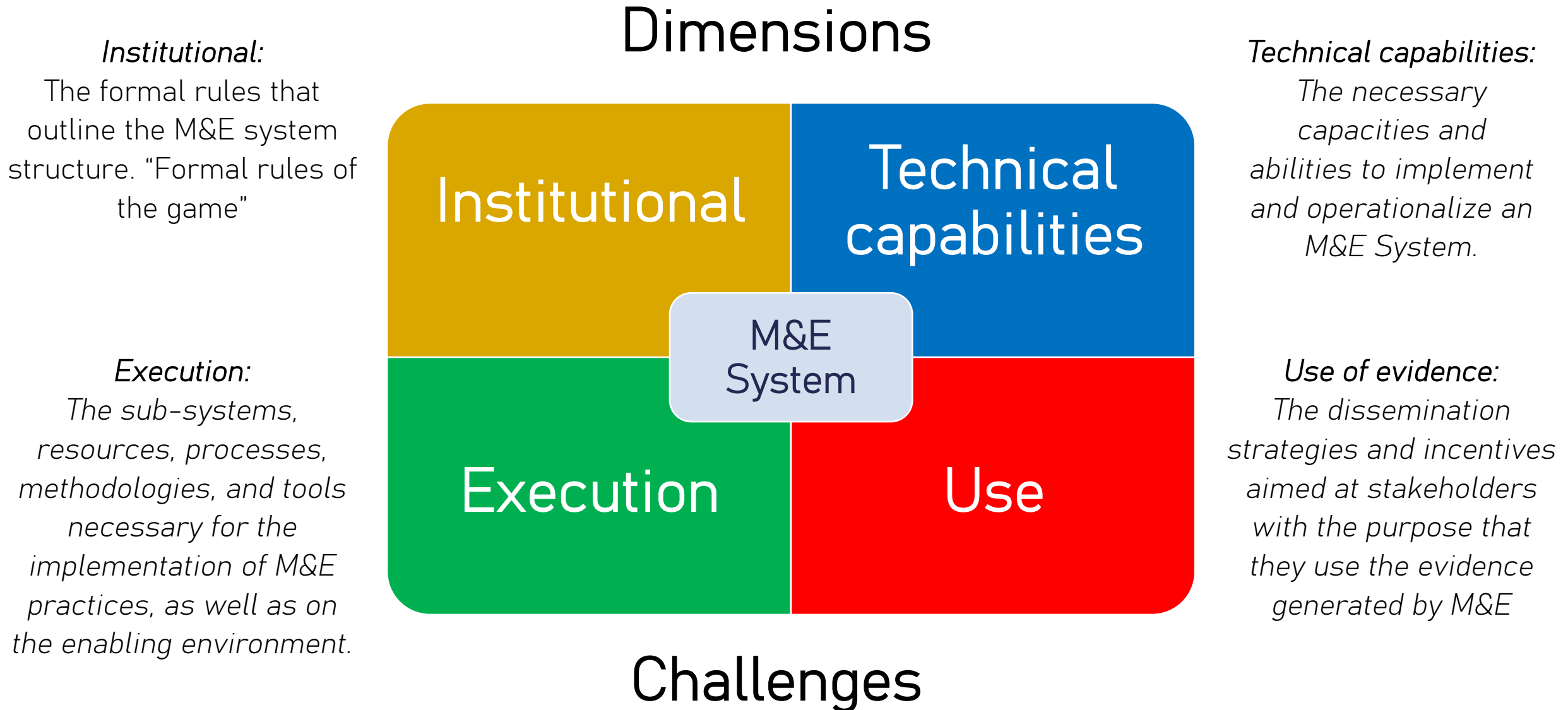


- A strong civil society that demands that public interventions be designed and implemented based on evidence.
- The capacity to use M&E information relies on incentives that encourage managers to demand such information and **use it** as part of their normal operations.
- Several formal requirements associated to use will oblige managers and senior officials to invest in M&E development.
- Desire for quality and improved performance.
- Informed resource allocation that break inertial budgeting.

Good intentions and basic layouts are not enough!



One approach to M&E Systems



Definitions

Something that encourages a person to do something

Cambridge dictionary



An incentive scheme can be defined as a formal plan designed to encourage or promote specific behavior or action by the target group during a specified period of time.

MBA Skool



The nature of incentives for M&E depends on how a country envisions using M&E information.

Mackay, 2007



A positive or negative influential force that impacts the behavior of stakeholders



■ ■ ■

One way to categorize incentives

Carrots provide positive encouragement and rewards for conducting M&E and utilizing the findings. They include, for example, public recognition or financial incentives to ministries that conduct M&E.

Sticks include nudges or penalties for ministries or individual civil servants who fail to take performance and M&E seriously—such as financial penalties for ministries that fail to implement agreed-on evaluation recommendations.

Sermons include high-level statements of endorsement and advocacy concerning the importance of M&E. They also include efforts to raise awareness of M&E and to explain to government officials what's in it for them.

Mackay, 2007

Strong incentives are necessary to
successfully institutionalize the M&E
function

The way a country envisions using M&E
information will determine the nature
and characteristics of incentives

Monetary incentives can be expensive and not likely to be always appropriate for many countries. Non-monetary incentives can be considered once the M&E process is in place.

Carrots

- Awards or prizes—high-level recognition of good or best practice evaluation or of managing for results.
 - Budgetary incentives for high-performing programs—for example, Chile's bidding fund (Caveat: The desirable relationship between performance and funding is often unclear. For example, sometimes it is necessary to provide additional funding to an underperforming program to fix it).
 - Provision of budget-related incentives to ministries/agencies to improve performance (thus putting premium on having M&E information to demonstrate performance)—for example, finance ministry provides greater funding certainty, forwards estimates through a medium-term expenditure framework, resource agreements, portfolio budgeting, program budgeting.
 - **Greater management autonomy provided to programs performing well.**
 - Output- or outcome-based performance triggers in World Bank (and other donor) loans to governments—for example
 - Rewards for compliance with M&E formal requirements (including for high-quality M&E).
 - Additional funding to ministries to conduct M&E.
 - Financial support and technical assistance for government M&E from multilateral and bilateral donors
- Careful knowledge management of evaluation findings—for example, providing easily understood executive summaries targeted to key audiences can reduce the cost of accessing and digesting the findings.
 - Performance contracts or performance pay for civil servants
 - Staff incentives—use M&E experience as one criterion for staff recruitment, promotion, and certification.
 - **Assistance to program areas in conduct of M&E**—via help desk advice, manuals and other resource materials, provision of free training, comments on ToRs, draft evaluation reports, and so forth. This makes it easier (reduces the cost) to do M&E and to use the findings.
 - Ensuring that data providers understand how their data are used and the importance of providing accurate and timely data.
 - Training for program managers and staff, budget analysts, to explain what M&E is and how to use it to improve ongoing work.
 - Identification and highlighting of good practice examples of evaluation planning, of M&E techniques, of evaluation reporting—provides models others can easily copy
 - A governmentwide network of officials working on M&E. This helps provide identity and support to evaluators.

Sticks

- Enact laws, decrees, or regulations mandating M&E.
- Formal requirements for the planning, conduct, and reporting of M&E—create organizational momentum if ministries are forced to create committees and other formal structures for M&E.
- Withhold part of funding from ministries that fail to conduct M&E.
- Regularly publishing information on all programs' objectives, outputs, and service quality.
- Performance comparisons across jurisdictions emphasizing good performers, and embarrassing poor performers.
- Highlight adverse M&E information in reports to Parliament and disseminate widely.
- Include relevant performance indicators (outputs, outcomes) in the annual performance appraisals of managers.
- Require performance exception reporting where targets not met—requires that program areas explain poor performance.
- Highlight poor quality evaluation planning, data systems, performance indicators, M&E techniques, M&E reporting
- Penalize noncompliance with agreed evaluation recommendations
- **Involve civil society in M&E of government performance— results in pressures for better performance and accountability**
- Institute performance contracts or performance pay—direct penalties for poor performance.

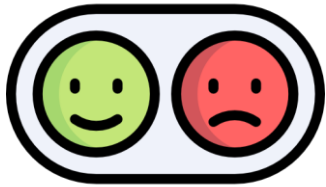
Sermons

- High-level statements of endorsement by president, ministers, heads of ministries, deputies, and so forth.
- Government vision statements on public sector reform, good governance, or national plans, which highlight the merits of M&E.
- Frequent repetition of message of support at meetings of ministry senior executives, section heads, other staff.
- Awareness-raising seminars/workshops to demystify M&E, provide comfort about its *doability*, explain what's in it for participants.
- Use of actual examples of influential M&E to demonstrate its utility and cost effectiveness.
- Explain to service managers and staff how M&E can help them deliver better services to their clients.
- Pilot some rapid evaluations and impact evaluations to demonstrate their usefulness.
- Conferences/seminars on good practice M&E systems in particular ministries, in other countries, and so forth—demonstrates what M&E systems can produce.
- A network of officials working on M&E— helps showcase good practice examples of M&E in ministries, demonstrates their feasibility, and helps encourage quality standards.
- Support for government M&E from multilateral and bilateral donors in their loans to governments—highlights and endorses M&E.

Where to start from?

Different stakeholders respond to different incentives

Attitude towards M&E



POSITIVE

NEGATIVE

Role in the M&E process



COORDINATOR



SUBJECT



USER

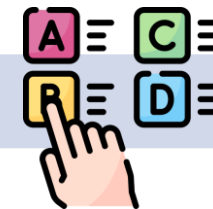
One of the most important steps is to map stakeholders and assess their interests. This will lead to identifying specific information needs as well as the kind of incentives they may be susceptible to.



MAP STAKEHOLDERS



ASSESS NEEDS
& TIMEFRAME

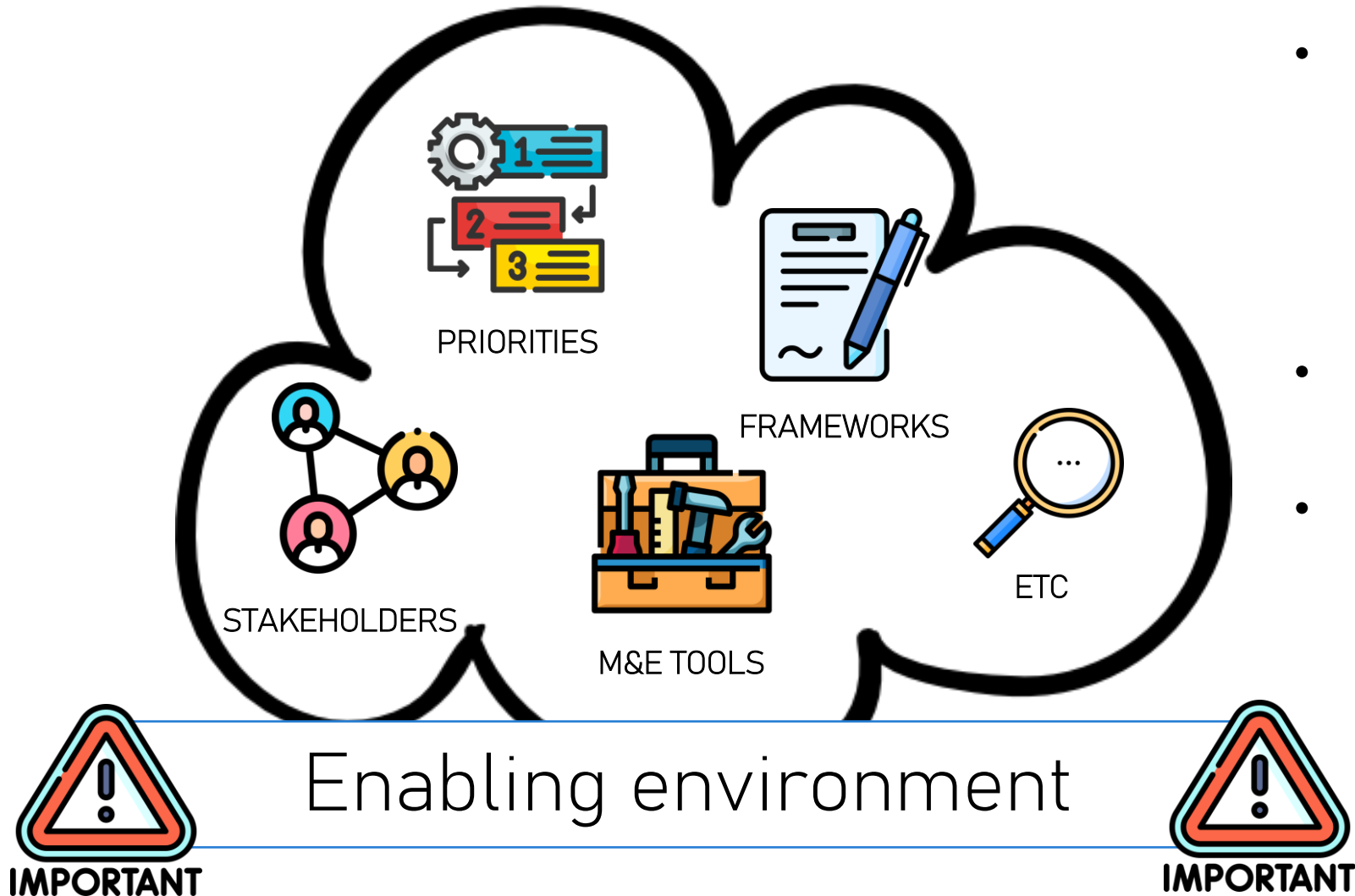


SELECT STRATEGY

Different stakeholders = Different needs

Stakeholder	Information needs
Members of Parliament	Mainly interested in information on their own constituency. Want to know about impact and scale-up plans. Opposition may want to hold the incumbent accountable or verify their sayings.
Ministry of Finance	Interested mostly in budget and efficiency/effectiveness of programs, as well as Impact. Resource distribution in the Budget allocation negotiation process.
Other Ministries	Interested in resource allocation and impact (especially when related to their core area); some interest in coordinating operations. High level officials wish to showcase results, operative level officials are looking for improvements in implementation.
Donors / Development partners	Strong focus on impact, sustainability, Value for Money, efficiency and effectiveness of operations and overall accountability
Media	Want to know what is happening, how and when; often information misused for sensational reporting. Uses linked to accountability.
Planning Unit (leading)	Mostly interested in information for planning and budgeting purposes (number of recipients, total amounts disbursed, etc.) as well as ad-hoc responses to parliamentary queries.
Management Unit (leading)	Focus on all information above + indicators useful for program management (cost-efficiency and effectiveness, compliance with Service Standards, etc.)
Provincial/district authority	Interested in impact and overall number and types of beneficiaries at province/district level; information for coordination and management of lower levels: staff, budget and Quality Control;
Society	

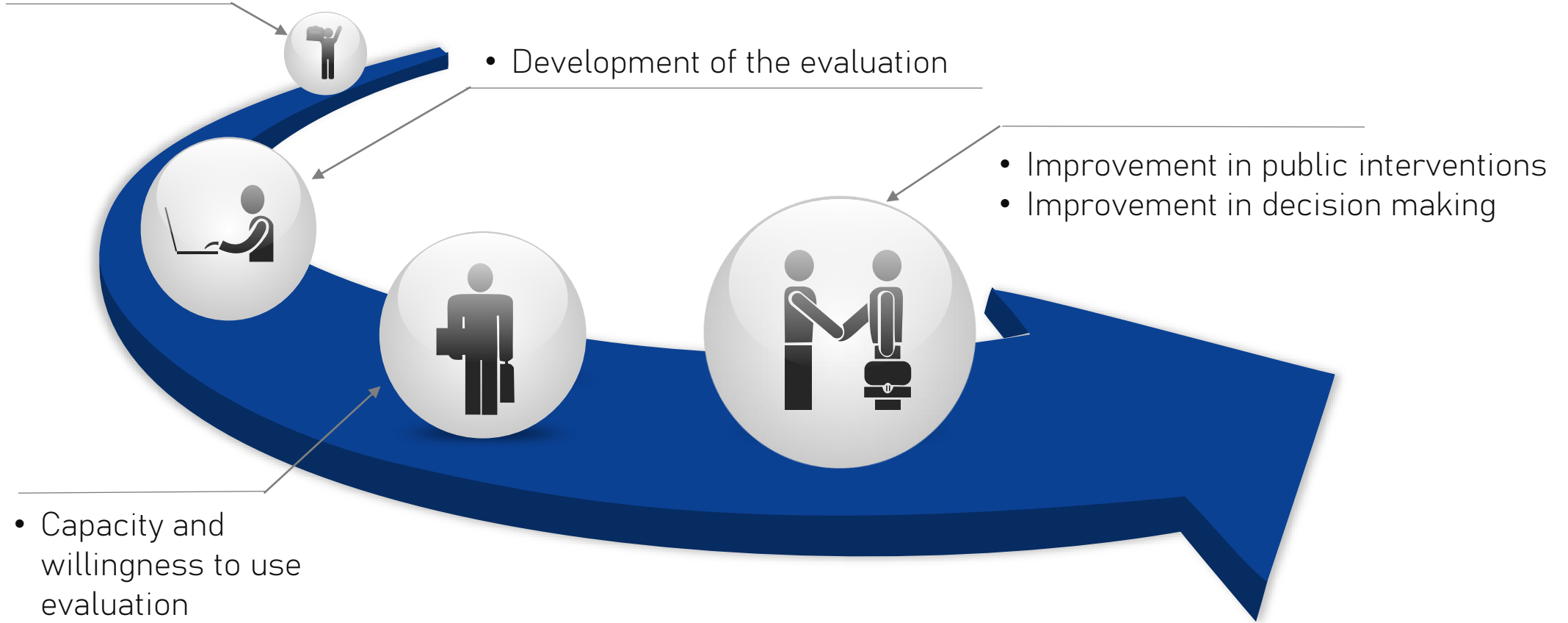
Aligning efforts towards...



- Without a proper and continually nurtured enabling environment it becomes really difficult to advance towards resilient M&E systems.
- Risks may materialize in an easier way.
- Maintaining the enabling environment “in good health” requires continuous work, updates and improvements .

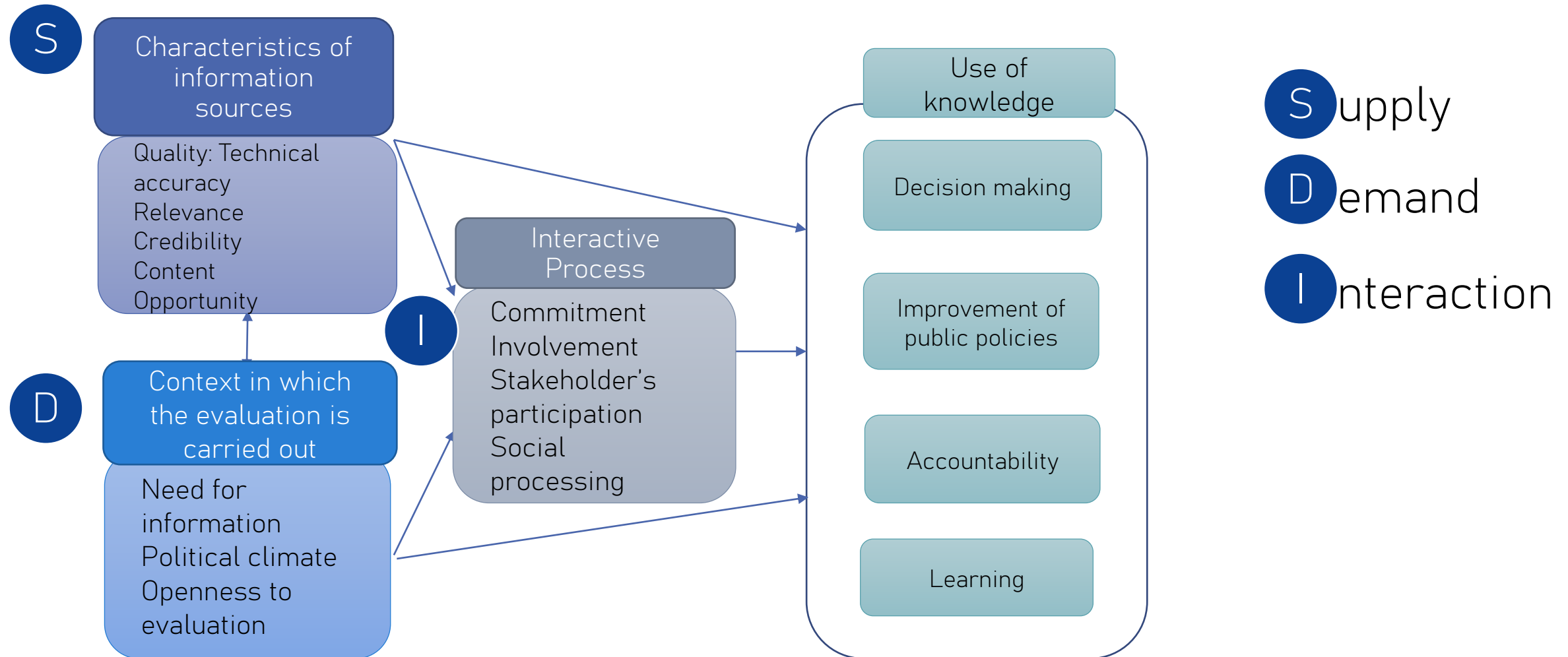
A basic theory of change for evaluation use

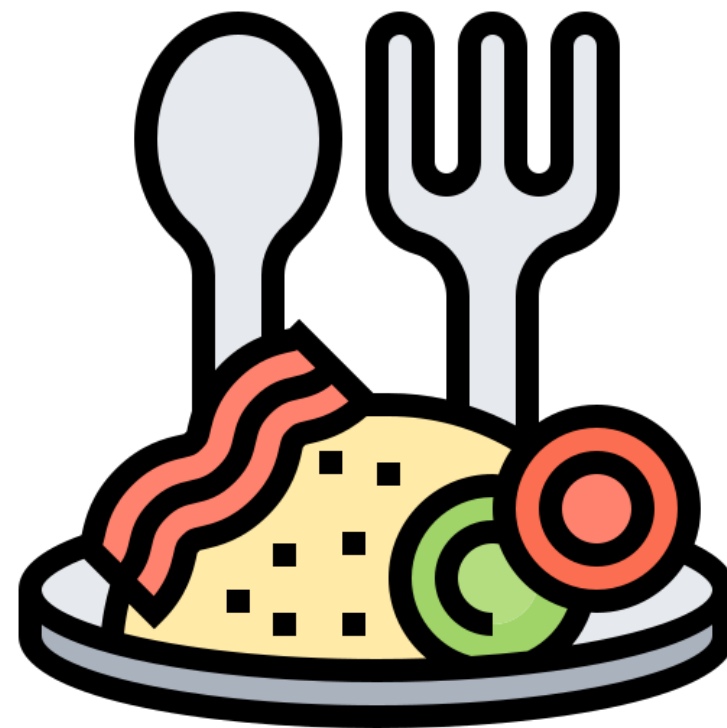
- Identification of evaluation needs



Always emphasize that achieving good results will be rewarded. Emphasize that a major purpose of M&E information is to help officials and their staff identify what works and what does not and make better decisions.

Factors that influence the use of evaluations





Please be back at 14:00

Case studying incentives: M&E System in Mexico

Challenges to build and
implement a system: the
importance of incentives
as effective enablers for
M&E systems



Why do we want M&E Systems?



Countries have their own ways of management



Wanting to move toward evidence-based decision making has to have a reason



Designing, operationalizing, and institutionalizing M&E systems has a cost, so WHY?



One easy answer: The current way of doing things is not leading the country to the expected results



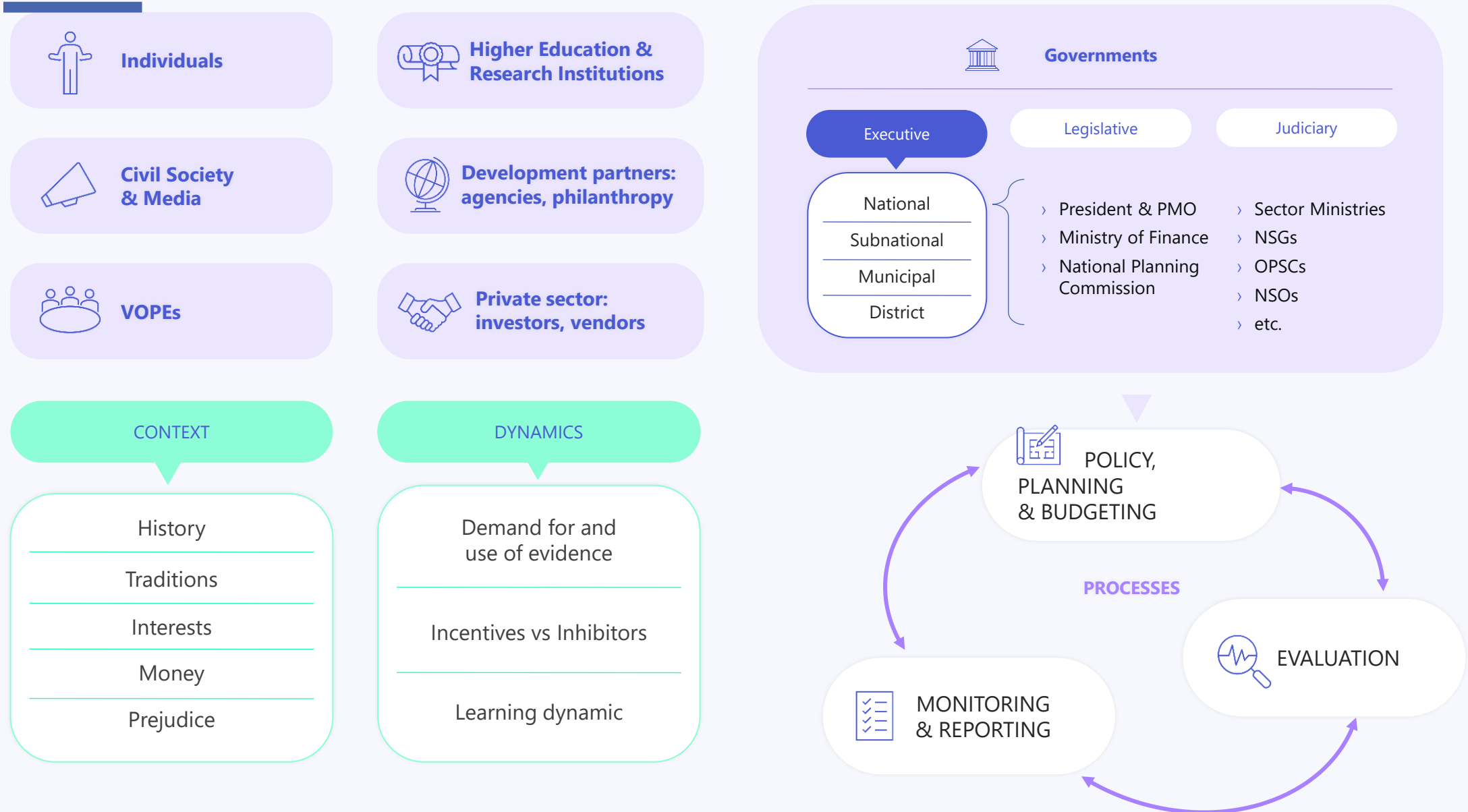
These expected results that are not being met may be related to:

- Effectiveness of Public policies

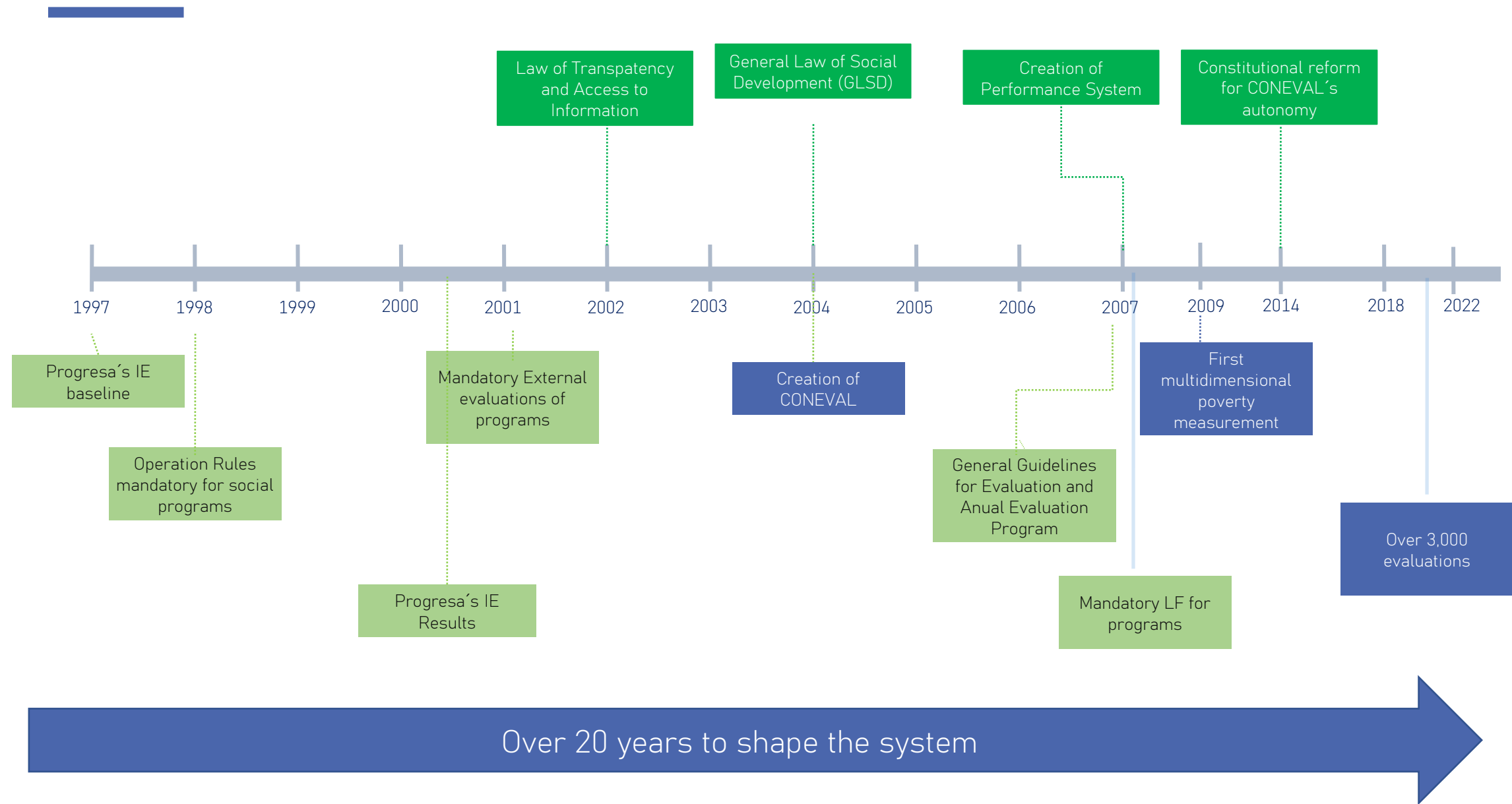
- Efficient resource distribution

- Take action to attend poverty and improve lives

Overview of a country MEAL ecosystem



Where do we come from in Mexico?



Challenges for constructing an M&E System for social policy

1

Institutional

Formal rules that outline the system in the country

2

Execution framework

Resources, processes, methodologies and tools necessary for the implementation and enabling environment

3

Technical capabilities

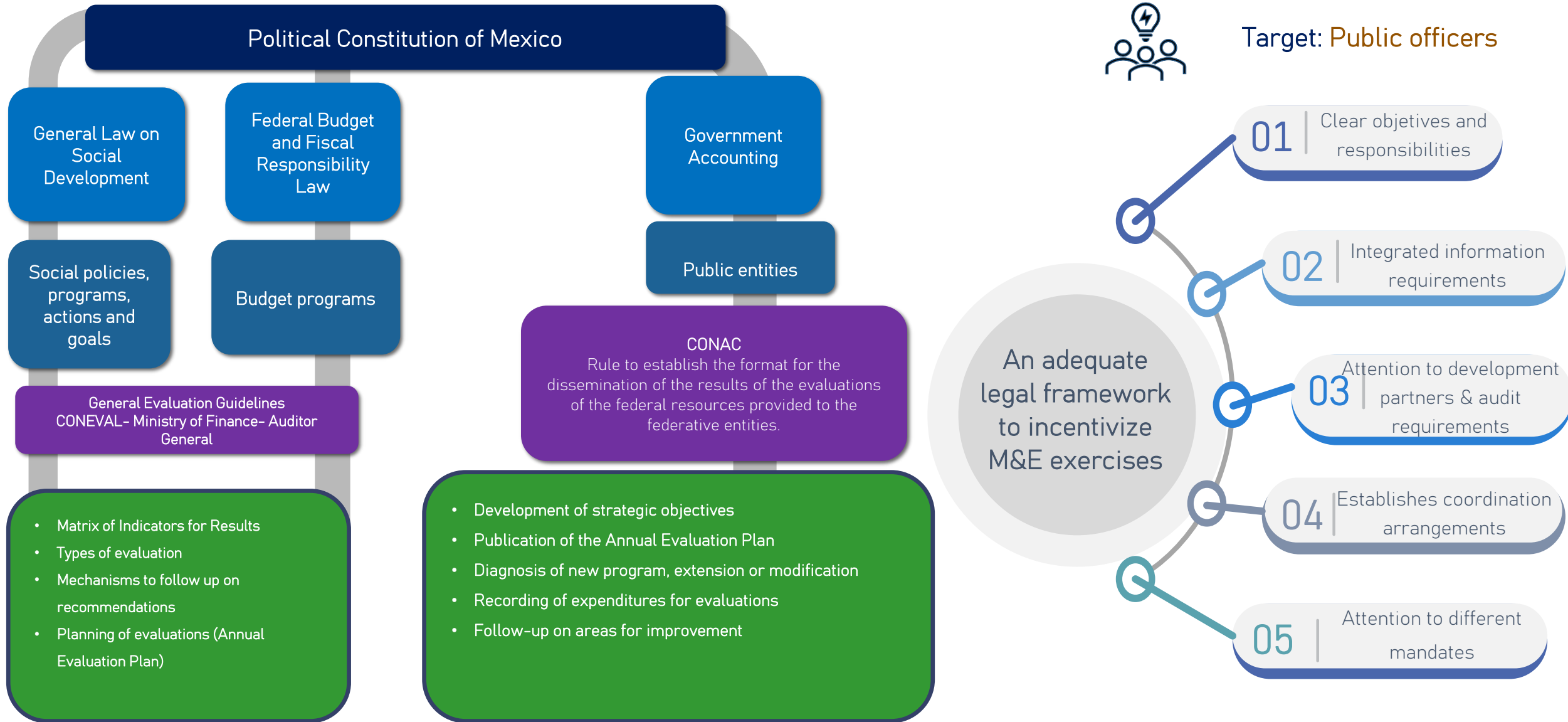
Capacities and abilities necessary to implement the system

4

Use of evidence

Dissemination strategies and incentives aimed at stakeholders with the purpose that they use the evidence

1 Institutional framework for M&E in Mexico



2

Execution Framework

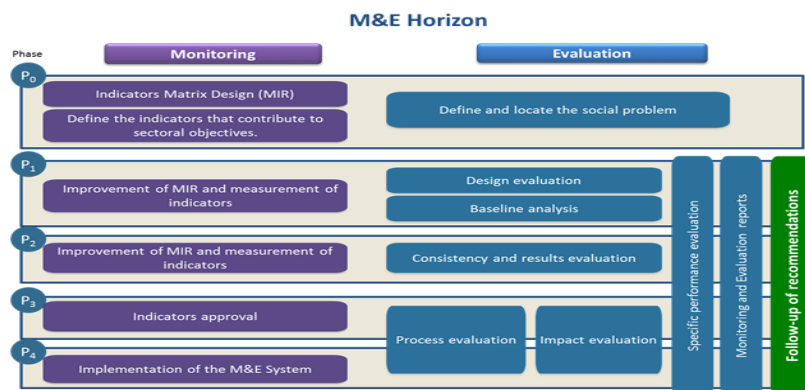
1

Define the types and methodologies



2

Define the universe for CONEVAL action



Target: Managers and M&E officers

Attention to particular needs
(questions, mandates, requirements, timeframes)

Developed considering the workload

Empowerment by managing information and not being responsible for requesting M&E

2

Execution Framework

3

How to evaluate?

Define the evaluations operative processes

Homogeneous

Same methodology
(Terms of Reference
Templates)

Specific

Methodologies based on
specific features
(no specific ToR)

4

What resources do we need & how we get quality evaluations?

Define the organizational arrangements, budget and software
Terms of Reference, overview of evaluators, and peer reviews



Target: M&E officers

Introduce particular needs by being pilots of the methodologies

Identified as key information champions by ministers, congress, international organizations

Make decision about M&E budget

Provide quality, added value information in a timely manner



Target: M&E officers

1. Access to better job positions
2. Be part of a learning community
3. Be able to answer complex questions

Definition of annual training in M&E

Relations with national and international partners :

- CLEAR LAC, NGOs, VOPEs, GEI

Strategic alliances:

- 3ie, Campbell, Mathematica Policy Research, etc.

South-South cooperation

- UN Organizations (UNDP, UNICEF)



Use of Evidence: Incentives to promote it



Target: **USERS** (M&E officers, Managers, Ministers, Congress, Citizens, Media)

Facilitate the use of M&E exercises

- Attractive, short and simple formats
- Define a process to use the findings of evaluations with a participatory approach



Capture the contextual needs for evidence for different users groups

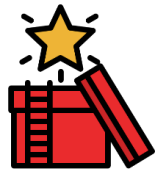


Provide timely results

- Planning timeframe
- Budget calendar

Generate positive incentives for M&E to officials

- Media exposure
- Best practices awards



Measuring incidence

Best M&E practices award

This award does not recognize the performance of programs or institutions; rather, it recognizes agencies for having done outstanding work in generating evidence to improve public policy decision-making.



Activity:

Adapting incentive
schemes to changing
contexts &
stakeholders



Activity with case studies

Instructions

- Each team will receive a short case-study describing the elements of a fictional country M&E system. You will have 10-15 minutes to review the case, identify key stakeholders that are mentioned and those who are missing and acknowledging some of the risks and obstacles the country is facing or is likely to face.
- Use your flipchart to write down the list of stakeholders, the main obstacles and possible risks and the existing incentives that are contributing to keep the system in place.
- After 10-15 minutes, we'll hand out new information to each team containing internal or external shocks, changes in context, variations in the stakeholders' priorities, and/or unexpected adjustments/restrictions that impact the existing incentives.
- 20-25 minutes will be allowed for you to discuss how to better face the new shocks. Each team will have to at least define one new incentive, sophisticate one existing incentive, adjust the role or include a new role for one stakeholder and prepare a short pitch on how the shocks will be addressed and the system strengthened.
 - Participants are encouraged to relate the scenarios and shocks to their own countries experience and share this in the last part of the activity.
- Each team will choose a representative to present some of their suggestions to everyone and open to comments as other participants are asked to contextualize the response to their country.



Please be back at 13:45

What happened in each country?

Federal Republic
of Good intentions



The Over-burden
Kingdom



Republic of
Compliance



Activity

Chutes and ladders:
advancing to some
conclusions



Let's wrap it up!



