SUMMARY OF KEY ISSUES IN IMPACT ASSESSMENT METHODOLOGY

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This Toolbox Note is an extract from the Application Guidance Note on Assessing Impact of Rural Enterprise Development activities. It summarises a number of critical issues in current thinking about IA, which whilst particularly relevant in the context of RED, can also be used in assessing impact of other types of ED intervention. All these issues are explored in more depth in the Core Text and other toolbox notes.

Blueprint or Process Approach

Enterprise development programmes in rural situations are inevitably going to be a mix of these two approaches. There is still misunderstanding of the meaning of 'process approaches' (Bond and Hulme) but for our purposes the acceptance that much is unknowable in advance, the need for flexibility and action-learning mechanisms and the recognition of the interests of multiple actors are important. Broadly, baseline surveys, ex-ante impact assessments and ex-post evaluative impact assessment studies are well suited to classic blueprint interventions, while 'real time' impact assessment, by and with a variety of stakeholders, for experiment and learning within the lifetime of a project are suited to a process approach.

Blueprint is culturally associated with the bureaucratic operations of government agencies and process with private sector NGO and commercial operations. There are however, links to the issue of scale here (see below), at enterprise level the discipline of a blueprint structure may well be appropriate, while at programme level it may be more realistic to follow a process, 'blueprint IN process' (Bond 1998). This might be achieved by assessing impact of enterprises with quantitative CBA(cost benefit analysis) tools suitably adapted (see above), and programmes with more qualitative participatory approaches. Another related issue for 'real-time' IA is the pattern of emerging impact (see below) and whether impacts can reasonably be expected within the lifetime of the project.

Scale at Which Impact is Assessed

As indicated above this is important in BDS programmes, the typical grouping of stakeholders; customers, service providers, service facilitators and the market as well as the enterprise, project and programme all operate at different scales yet are integral to an IA. Firstly it is clear that different methods will be appropriate at the different scales to answer the different questions e.g. 'Does this strategy work'? at programme-level, 'can we optimise impact'? at project-level, 'Can we improve the business'? at enterprise level, and 'does this livelihood strategy improve our quality of life'? at household level.

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This implies that not all learning from IA is needed at all levels, there will be short-loop, medium loop and long-loop learning with only the long-loop being relevant at programme-level. Focus-group discussions based on informal, participatory methods may be adequate to assess impacts, reflect and change action in short-loop learning (like the stand-up meetings of modern management). Impact monitoring (e.g. LAST) backed by short studies (e.g. ALEX) may be adequate for project-level progress meetings to optimise their actions in medium loop learning. To reduce work of IA between levels, monitoring systems based on algedonics may be employed (see above) where only when key impact parameters are breached does the higher-level become informed.

Pattern of emerging impact

In the intervention logic of logical framework, effects equate to purpose level and impacts to goal. It is recognised that effects will be seen fairly soon after outputs are delivered and purposes are achieved but that impacts may take some considerable time to emerge. The influence of external factors also increases 'up' the intervention logic. Since also (by definition) outputs are the end of implementation managerial control and responsibility (planners having control and responsibility for purpose and policy-makers for goal), and that monitoring is an ongoing managerial function a strict interpretation implies that the concept of 'impact monitoring' is problematical. This is because management may not be around or still interested in monitoring for impacts after project end. With process projects this is not necessarily the case as the functions of planning and management are conflated to some extent, particularly at the more detailed level. Also with BDP / SME programmes, a variety of small-scale interventions at multiple locations means that aggregate impacts should begin to emerge well within the life of the programme so that learning and adjustment can take place.

Utility of Logframe for IA:

Logframe was first developed as a tool for facilitating M&E of projects, it later evolved as a planning tool (e.g. ZOPP). It is essentially a tool for blueprint projects although it is used with regular revisions in process projects. Its use is required by many donor agencies but equally resented by many NGOs (Wallace et.al.). The clear flow of the intervention logic, consideration of assumptions concerning external factors and early identification of indicators and how they will be verified are all positive features for IA. However, it remains a summary outline of a fixed version of a project and provides greater utility to donors and recipient agencies than project management or beneficiaries. As such it can be used to plan for IA systems of a more process nature. The issue then becomes how to connect non-logframe, project level 'real time' / medium and short loop systems for IA to the more static IA of the higher levels of the logframe? This can be done by developing detailed Activity To Output Monitoring (ATOM) systems (Bond et.al. 2000) that include measures of effects and are aggregated on percentage progress basis

according to Logframe outputs. This gives direct quantitative achievement of output and effect at summary-level compatible with logframe. Also direct measures of livelihood impacts (e.g. LAST) can contribute to logframe purpose / goal levels.

Quantitative and Qualitative Indicators and Methods

The main issue here is that the apparent dichotomy is false. All quantitative data is qualitative at source (Moris and Copestake), and qualitative information can be converted (with some loss) to quantitative for wider analysis. Indeed, it is the combination of both qualitative and quantitative methods that produce a powerful synergy in IA, as the in-depth, open-ended understanding of one complements the ease of handling and analysis of the other. Such combination can, and should, be built into cost-effective IA systems. One mixed type of assessment is the derivation of ordinal quantitative data based on judgement and ranking. Primary stakeholders have and use their own indicators, and methods like pairwise and matrix ranking can connect these to more formal systems. Indicators can be absolute or relative to a locally meaningful 'worst-best' scale. Qualitative information can be analysed by skilled personnel (e.g. in Process Monitoring and Documentation), but often this is not cost-effective for small interventions; or alternatively handled by selection (e.g. Most Significant Change).

Attribution of Impact:

This issue haunts most IA, it is part of the purpose of IA to attribute change to intervention but almost impossible to prove. The greater difficulties are at the higher, programme / goal levels due to the increasing influence of external factors over wider areas and up the logframe intervention logic. Standard approaches are to assess 'before and after' as well as 'with and without' intervention, but even this is inadequate, expensive and fraught with ethical issues. Impact monitoring allows regular / continuous assessment rather than just two points. As shown above, a rolling baseline can be an acceptable and cheaper alternative. It is a mistake to underestimate the will and ability of field-level operatives and primary stakeholders to judge attribution, they are doing it all the time in their day-to-day decision making. This gives opportunity in two ways, firstly by tapping into their judgement and secondly by supporting their judgements with better information systems. This is what a PMU centred, real-time IA system will do – improving impact rather than proving it.

Participation in IA

The issue here is partly between rhetoric and reality, but also, participation as a means or an end. Participation can be to obtain better quality information for evaluative purposes (means), or to establish mutual accountability and learning (end). The latter is more appropriate to a process IA system designed and controlled at field-level. To maximise participation we should build on existing (formal or informal) assessment systems rather than create new ones

and integrate assessment with other functions (see ‘rolling baselines’ above). PRA/PLA techniques (above) are useful here.

Sustainability of Impact

With enterprise development initiatives, sustainability requirements are clearer than with other types. Subsidy to bring about change is more obviously a temporary requirement as business is not welfare. However, this is no reason to take a narrow financial profit and loss approach to impact. The developmental purpose of most SME and BDS projects will have wider objectives concerning the livelihoods of entrepreneurs / farmers and their employees and even the sustainable capacity of service organisations. Each of these will require suitable methods for assessment e.g. the group sustainability self-assessment method (above).