

Impact Monitoring – What? and Why?

By Kerstin Bernecker¹

For the last few years, we no longer speak of “monitoring” or “monitoring and evaluation (M+E) only, but of “impact monitoring” as well. What then, is impact monitoring? What has changed – necessitating the introduction of yet one more new term into the broader evaluation literature?

1 Why Impact monitoring

1.1 Why Impact Monitoring now? What has changed?

In pricipie, development agents/“change agents” on all levels, have always been interested in achieving objectives, goals and in producing effects, impacts. *In pricipie*, the required tools adequate to verify the produced impacts have been available for nearly three decades (first of all the logical framework/ logframe – used in development work since the 70s in the US, end of the 70 in Asia and Europe). *But* it seems that there has not been enough success in both – achieving objectives, and producing intended positive impacts.

Monitoring, Monitoring and Evaluation (M+E) has been in existence for about a quarter of a century, but..... What did we monitor (and evaluate) so far? Was the assessment of impacts excluded from monitoring/ M+E up to now?

¹Kerstin Bernecker (economist, physicist) is an independant consultant, working since 25 years mainly in developing countries (but also Germany, Switzerland, Japan...). She is specialized as advisor and facilitator on the conflict areas “man-nature/environment” since a few years on Agenda-21 processes. Address: Conrad-Schulz-Weg 9, D-82211 Herrsching; E-mail: KerstinBernecker@compuserve.com

²This had been the explanation and justification of USAID when it introduced the logframe: Objectives, especially higher objectives, had been so vague that three different people gave three different interpretations for such an objective’s statement; it was impossible to evaluate their achievement as they were too vague to be verified.

Looking back, it can be seen very clearly: Since the introduction of the logframe, the intention of *really achieving objectives, and of aiming at having the desired impacts* became increasingly explicit².

There were several major reasons, however, why monitoring deviated again and again from the objectives’ and impact levels and concentrated on implementation level results:

- donors’ preoccupations were always very much on “fund disbursement”; fund disbursement is closely related to inputs and activities but relatively far away from objectives and impacts...; hence, donor driven M+E had been putting emphasis very much on the lowest levels; most donors’ approach was to evaluate impacts only “ex-post”;
- the higher the objectives’ and impact levels (for definitions, see 2 below), the more abstraction capacity is required, – a quality which is relatively scarce among human beings – including among project managers and decision makers responsible for development projects, programmes.
 - Related to that, projects were for quite a long time relatively limited with regard to the expected impact, i.e. they were not very strategic; and
 - projects were not strategically linked among each other on higher levels; i.e. any tendency for impact consideration was limited to relatively low, less strategic issues and levels; and
 - the management tools were not applied for the higher, more strategic levels: e.g. in planning and management logframes, the indicators on the higher levels (goal, purpose) were usually not developed or they were underdeveloped.

However, it was recognized again and again – by decision makers, project managers and stakeholders

– that it does not make any sense to plan and implement projects, programmes, policies (“P”) if their objectives are not clearly defined and an impact more or less close to the objectives is reached. Therefore, impact monitoring became eventually a crucial issue for the development agents and agencies since about five years. Nearly all development agencies try to cope with this issue nowadays.

1.2 Why Impact Monitoring at all – What’s the Objective of Impact Monitoring?

The major objective of impact monitoring is to provide the necessary information enabling the decision makers including the management and the other relevant actors of a “P” to improve achieving of objectives as well as positive side effects and to avoid or attenuate negative side effects of the “P”.

It is a quality management tool helping to focus thinking and acting on the desired objectives and impacts, reducing the danger of getting stuck on input and activity level concern in day-to-day work. Accordingly, a sub-objective of impact monitoring is to improve communication and transparency within a “P”, among the “P”-team and its beneficiaries, the stakeholders.

2. Basic Issues: Monitoring, M+E, Impact Monitoring and Logical Framework

Since the beginning of the 80s of the last century, when monitoring and M+E came up, the M+E terminology has been the subject of a never-ending discussion. However, the following definitions have been commonly accepted agreed upon:

Monitoring: means continuous observation of phenomena related to the performance of “P”, generally used as management instrument and usually carried out internally (organised by the institution which is responsible for implementation).

Evaluation: means a specific review of the performance of projects, programmes, policies, sectors etc., usually done at certain points in time and covering certain time periods. Evaluations may be initiated and organised externally or internally.

M+E: The frequently used term M+E refers to monitoring with ongoing evaluation plus specific evaluation reviews at certain points in time as a basic element of a management system.

Most users, however, use the term “**Monitoring**” – as an abbreviation and meaning “**Monitoring and Evaluation**”³. This use of terminology is indeed very common and is adopted in this paper, as well.

Monitoring of impacts vs. implementation monitoring: Implementation monitoring refers to activities and inputs used.

The next higher level, outputs generated, represent an intermediate level with regard to monitoring, sometimes called “performance monitoring”. In some cases, outputs achieved are already considered as part of the impact, i.e. its lowest level.

However, generally, impacts refer to achievements with regard to objectives (purpose, goal – beyond output level, in the logframe) as well as intended and unintended side-effects. Accordingly, impact monitoring means M+E of the objectives of a “P” on the higher levels as well as M+E of side-effects, intended and unintended ones.

3. Adequate Methods and Tools: Management by Objectives, Management by Delegation and the Logical Framework

An adequate basis for monitoring, M+E in general but even more so for impact monitoring, are some basic management tools and methods:

- *management by objectives*, a more than 30 year old, elementary management principle and method provides the corner stones: objectives are clearly defined and agreed upon; ideally they are based on profound analyses (analysis of participants and institutions, potential analysis, problem analysis, objectives analysis⁴ which allow at an early stage

³ E.g.: GTZ: Project Monitoring, Eschborn 1998: ...”The term “monitoring” has become the most common designation for the M & E efforts in a project...

to identify certain positive and negative side effects;

- *management by delegation*: equally basic, this management principle complements the first one: once the objectives⁵ are clearly defined and agreed, delegation of responsibilities to various actors of the “P” is possible and desirable: thus, the interest of reaching objectives and positive impacts, the identification with the “P” of the various actors is increasing.

These two management principles provide also the basis for a new management approach in German public administration, the “Neues Steuerungsmodell” (“New steering model”). The ideal tool to work according to the two management principles above is the logical framework. However, it makes only sense to apply this tool if it is understood according to its initial intention:

- it is applied in a flexible way,
- it is extended vertically and or horizontally according to management needs,
- it is revised and adapted according to the monitoring findings and requirements,
- hence: if it is not misunderstood as a blueprint, as a rigid and limited structure.

The basic logframe and simple extensions for impact monitoring purposes are presented below.

Figure 1: The “classical” Logframe

Narrative Summary / Objectives	Objectively Verifiable Indicators	(Means of verification) OVIs for Assumptions	Important Assumptions
(policy) Programme (project) Goal			
Programme Purpose			
Programme Outputs PoO ₁ PoO _n			
Programme Activities (Measures)			
....			

⁴ Problem and objectives analyses should be developed ideally as “network analyses” where the problem field is organised into a problem network according to cause effect relationships, and the objectives network follows that structure, but as a vision, the problems being solved.

More details about this tool are given in a subsequent article.

In the 1st column of the logframe you find the objectives on higher levels (“goal”, “purpose”) and sub-objectives (“outputs”). In the last column are indicated external factors, linkages to other projects, programmes and expected impacts. If required, even higher levels may be – and should be – introduced: if the linkage to higher objectives and impacts is not evident. I.e., additional lines on the top may be introduced, comprising a “super-goal” level etc.

To make the impact issue more evident, the following extended logframe (Figure 2) is useful.

4. Impacts and The Attribution Gap – The Attribution Fog?

If the objectives and impact steps are not well developed and followed up in a consequent manner, a problem occurs: it is not anymore evident, which impact may be attributed to which “P”, to which “Ps” efforts:

The Issue of the „Attribution Gap“⁶

In development co-operation, there is a discussion - ongoing since a few years - about the „attribution gap“, a gap with regard to the attributability between project/ programme/ policy “P” interventions and their impact.

⁵ Objectives on various levels, i.e. objectives, sub-objectives..., or “goal” and “super-goal”, underneath “purpose”, ... according to logframe terminology.

Figure 2: The „Extended“ Logical Framework for Impact Monitoring (and Evaluation)

Narrative Summary/ Objectives	Objectively Verifiable Indicators	(Means of verification) OVIs for Assumptions	Important Assumptions	Impacts / Effects			
				expected		unexpected	
				+ (desired)	- (non-desired)	+	-
(policy) Programme (project) Goal							
possible intermediate steps							
-- “ --							
Programme objective							
Programme Outputs (objectives of programme components) C1..... Cn							
Programme activities (outputs of the components)							
....							

This – horizontally extended – logframe may also be extended vertically, if required (see above).

The higher the level of the impact within an objectives hierarchy, i.e. the higher the level of aggregation, the less evident is it to attribute a certain impact to a certain intervention (and vice versa).

That is so as there are more and more (other) influences the higher, the more complex the objective of the undertaking and the related impact is: the higher the level, the more „external“ influences, i.e. external to the intervention under consideration play a role, the influence of the intervention under consideration is just one (ideally an important one) among a multitude of other influences (“Ps”).

This issue goes so far that it is stated by experts: Consider the following from a WB report, which illustrates the problem of attribution: „The World Bank spent millions of dollars for poverty eradication in Indonesia. Which impact was achieved by *that input* cannot be said specifically. But it’s sure that this input was a contribution to reduction of poverty there...“ In real-

ity, there is not an attribution **gap**, not an interruption but rather a continuous fading out of the importance of the specific intervention – relative to all the other influences. We would rather call this an „**attribution fog**“.

The Challenge Related to the „Attribution Fog“

The admission of an „attribution gap“ by the development institutions indicates important question marks about development interventions “Ps”– but also signals the will (desire) and the need for improvement. This overall tendency is probably one of the reasons why impact monitoring is getting more and more important/attention.

The challenge for impact monitoring in general, and specifically policy impact monitoring (as a highly aggregated issue) is to clarify and sort out the intervention and influence structures in a way which allows to *reduce the complex reality to the essential influences and cause-effect networks*. Here again the logframe and the logframe approach may be a basic set of tools adequate to meet this challenge.

⁶ See, e.g. GTZ/ K. Heidbrink: Wirkungsmonitoring in Projekten der Institutionenentwicklung im Umweltbereich. Eschborn 2000.