USAID Discovery Session
Complexity-aware Monitoring

Keeping Track in Complicated and Complex Situations

The Process Monitoring of Impacts approach

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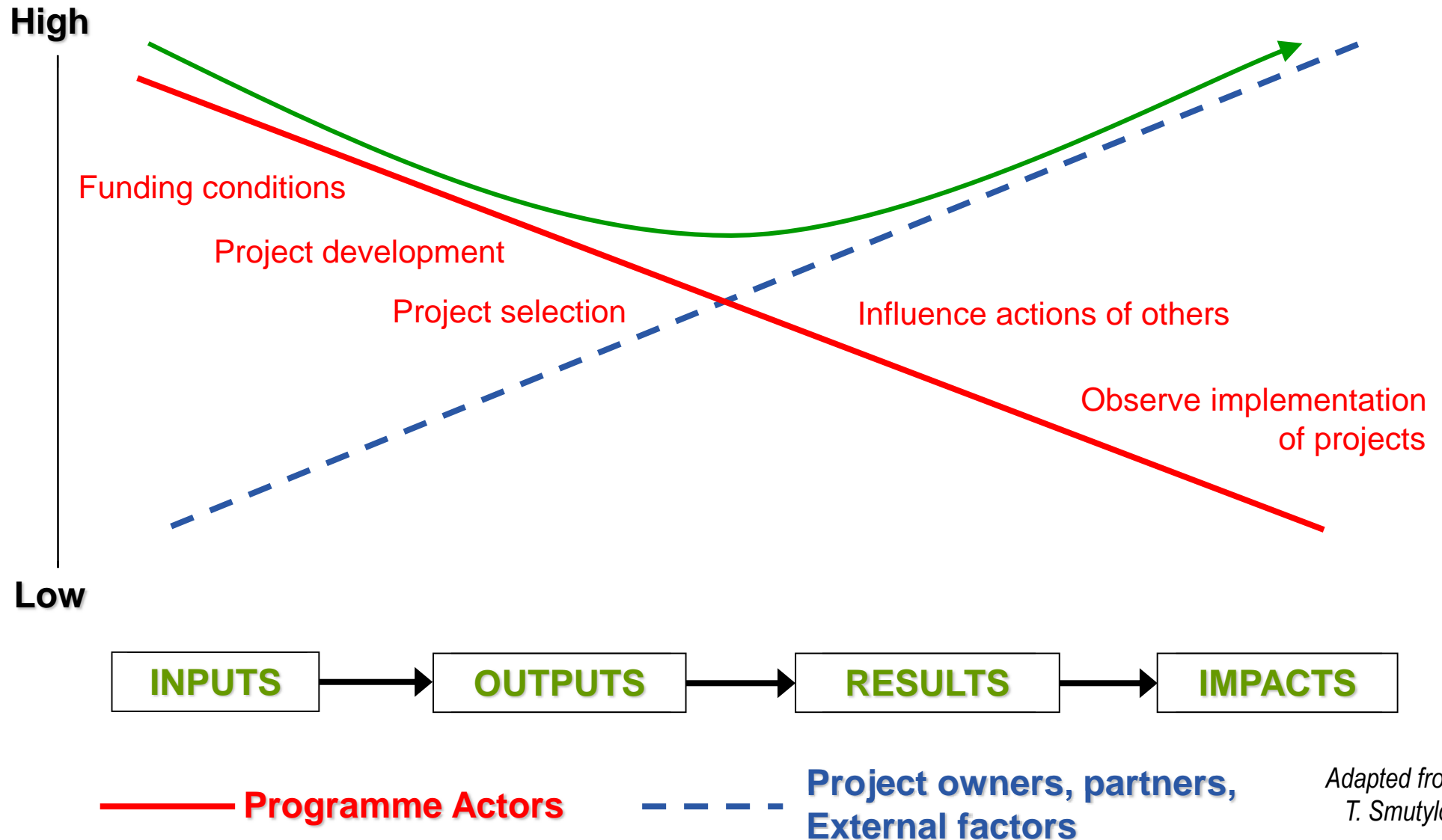# The challenges of tracking achievement of effects in larger programs

- **Key characteristics of EU Structural Fund programs**
  - ⇒ Multiple objectives pursued at different levels or sites
  - ⇒ Implemented by several (semi-autonomous) actors
  - ⇒ Contribution through high number of outputs (= projects)
  - ⇒ Difficult to establish clear relationships between outputs and effects
- **Monitoring is demanding task with limited utility**
  - ⇒ Predominant focus on inputs or outputs (easy to capture)
  - ⇒ Predominant use of quantitative indicators (easy to measure)
  - ⇒ Indicators have little value for implementing agents (need different and timely information, in line with influence / accountability)

Lines of influence in Structural Fund Programmes

Adapted from
T. Smutylo

The ‚Process Monitoring of Impacts' approach

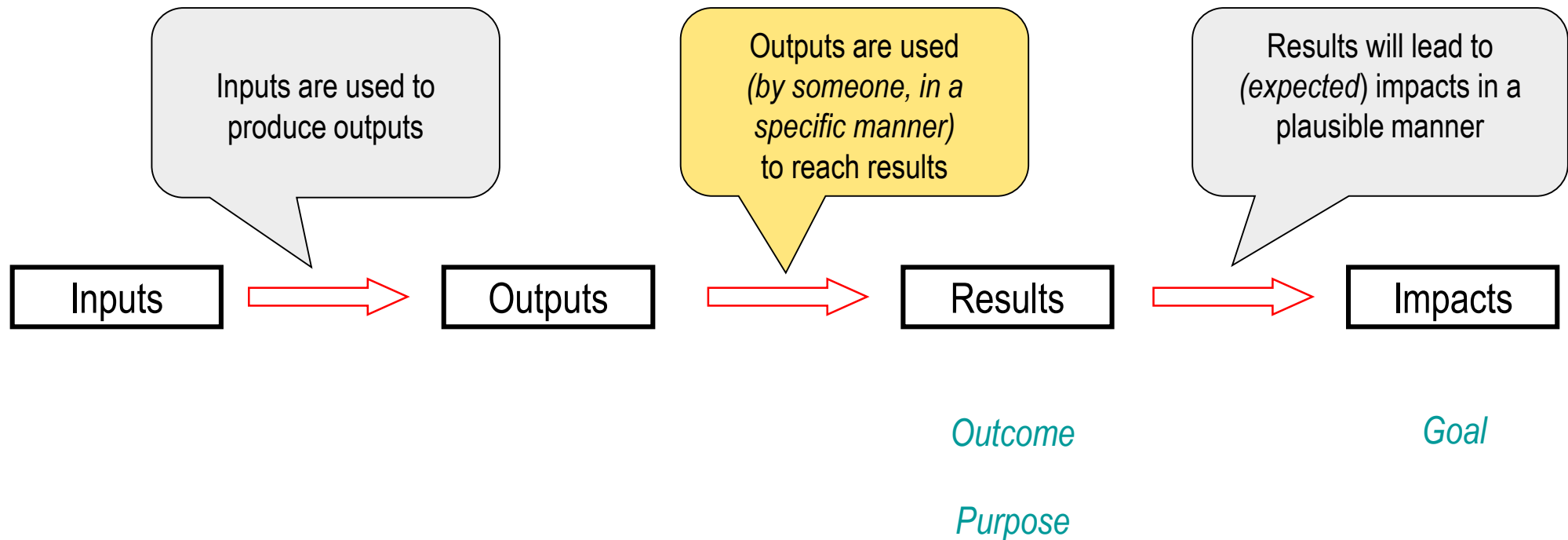- **Core rationale of the approach**
  - ⇨ Provide information for program actors as early as possible on the likeliness of achieving effects
  - ⇨ Emphasis on domains that can be influenced by them or for which they are responsible.

- **Impact-led monitoring based on outcomes chain logic models**
  - ⇨ Logic models are considered as hypotheses (to be modified during implementation), not as 'blue-prints' for development
  - ⇨ Focus on processes, which should lead to results / impacts (inserted between elements of logic model)
  - ⇨ Various perspectives and stakeholder observations are captured and reflected during monitoring

Monitoring of change processes

Basic assumptions for change along an outcomes/result chain

| Inputs are used to produce outputs | Outputs are used *(by someone, in a specific manner)* to reach results | Results will lead to *(expected)* impacts in a plausible manner |

| Inputs | → | Outputs | → | Results | → | Impacts |

Outcome   *Goal*

Purpose

Main steps

- **Identify and structure intended effects, define priorities**
  - ⇨ Visualize as logic model ("mental map" of program actors)
- **Define / agree on hypotheses for achievement of effects**
  - ⇨ Key assumptions on use of outputs (by whom, how?)
  - ⇨ Formulate as processes (activities, behavior, communication)
- **Define areas of observation for monitoring**
  - ⇨ Intervention <u>and</u> contextual factors (and their interrelationships)
- **Collect and interpret data (on intended <u>and</u> emergent processes)**
  - ⇨ Monitor intended pathways <u>and</u> actively search for emergence
  - ⇨ Consider various perspectives on intended and emergent pathways when determining preferred pathways.

OUTPUT (TYPES)	USE of OUTPUTS	RESULT	IMPACT

Indicator
e.g. Nr. of projects

Indicator
e.g. Nr. of business links

Advise for co-operation

Enterprises (esp. SME) collaborate in networks (also with large enterprises)

Increased linkages between enterprises at regional level/ scale

External expertise, Process consulting

Enterprises (esp. SME) carry out reorganisation processes

Sustainable stabilisation of enterprises

Enterprises (esp. SME) carry out product finding processes

New/ improved services, products and production processes

Adaption to international competition

Enterprises (esp. SME) introduce new technologies

Enterprises (esp. SME) gain new markets

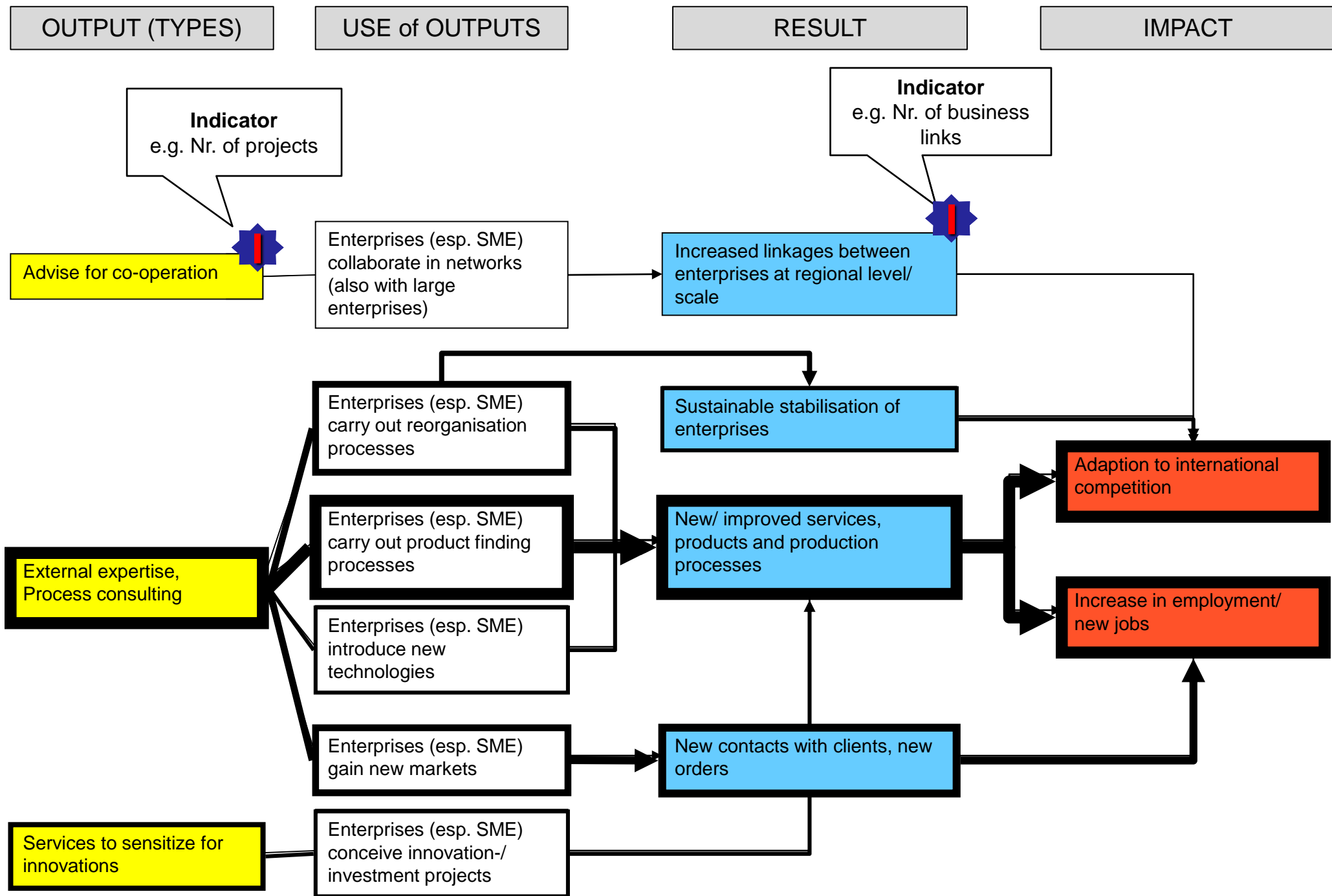New contacts with clients, new orders

Increase in employment/ new jobs

Services to sensitize for innovations

Enterprises (esp. SME) conceive innovation-/ investment projects

Suitability and main advantages

- **Particularly suited for interventions**
  - ⇨ with long effect pathways, where results are produced at the end of the implementation period - or even later
  - ⇨ implemented through a large number of projects and actors (process assumptions provide coherence for maintaining course towards effects)
- **Advantages with respect to Performance Monitoring:**
  - ⇨ Result - producing processes can be tracked earlier than with performance indicators (function as 'early warning signals')
  - ⇨ Bounds the area considered most critical to success
  - ⇨ Alternative causes and pathways can be identified
  - ⇨ Attention is paid to contextual factors, known (complicated) as well as unknown (complex) result-producing processes