

Performance Metrics – How well do EBRD projects specify expected results?



EBRD Evaluation department
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About the study

The term evaluability is “the extent to which the value generated or the expected results of a project are verifiable in a reliable and credible manner”.

International experience shows that projects with high evaluability scores are more likely to be evaluated as successful. Evaluability assessments done prior to project approval provide an early indicator of likely success and make it possible to fine-tune the project design to ensure it will effectively measure progress during implementation and the achievements on completion. Evaluability-related knowledge serves institutional learning as it allows insights to be extracted from experience and lessons to be generated for other projects

This purpose of this study was to develop and test an evaluability assessment checklist with broader relevance as a quality assurance and learning tool at the EBRD. Pilot testing of the checklist on a statistically valid sample of operation reports approved by the Bank between 1 July 2011 and 30 June 2012 provided immediate feedback on the feasibility of applying the checklist and an initial baseline of experience for future assessments.

Findings

- **Overall, the evaluability checklist proved to be an effective tool.** The checklist consisted of 10 criteria assessing three aspects – expected results, performance benchmarks and indicators, and risks and mitigating factors. The two risk criteria were the most difficult to apply consistently and may require further refinement.

- **Mixed results from applying the checklist to sample projects:** EBRD operations score well for the definition of operational objectives and their results, and for transition impact results and their benchmarks. This is offset by relatively low scores for the quality of indicators/benchmarks (such as target values, timelines and baselines). These are necessary conditions to measure performance.
- **Key information on results (other than transition) is often not presented clearly and consistently** within the operation report but is scattered throughout the document. Few operation reports effectively followed EBRD guidance on measuring/monitoring success. If performance-related information including baselines is not coherently stated and readily available in the operation report it is unlikely to be used to monitor and evaluate performance. Consequently, the monitoring system’s ability to provide an early warning that projects may be going off track in delivering expected results could be compromised.
- **Presentation of results in operation reports often lacks a coherent framework** wherein the operation’s achievement of operational and transition-related results are explicitly linked across levels, including outputs and outcomes and their contribution to higher-level impacts. Each operation is required to describe its links with country and sector strategies and appropriate citations are typically provided, but no measures to assess how these results were to be achieved were provided.



Recommendations

1. With regard to the application of the evaluability concept and the checklist:
 - a. Management to decide on the utility of the tested and adjusted checklist and what role it might play in the project appraisal process at the EBRD
 - b. EvD to develop practical guidance and tools for Operation staff as needed (for example, templates and good practice examples for developing a coherent hierarchy of results for individual projects).
2. With regard to the results shown by the sample projects:
 - a. Improve the presentation and quality assurance of, the section of the operations report on measuring/monitoring success, consistent with the advice in the operations manual.
 - b. Improve the quality of operational objectives performance metrics
 - c. Ensure adequate baseline data is presented for all key results and related indicators/TIMS benchmarks at one central place in the operations report
 - d. Develop an EBRD-specific results framework to improve reporting of institutional achievements through a more structured description of operational results and their links to Bank strategies, policies and corporate scorecard. Critical components of such a framework would be:
 - i. Operational results presented with the standard terminology of outputs, outcomes and impacts
 - ii. Upward links between the expected project results and their potential contributions to

transition impact at country/sector level clearly presented

- iii. Country strategies and sector policies incorporate an aligned results framework
- iv. Enabling institutional learning and matching the requirements from the Bank's wider modernisation agenda.

For more information read the full report at: www.ebrd.com/evaluation.

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