Identifying When, Why, and How to Use Impact Evaluations

Case Study

February 2023

Innovations for Poverty Action

Disclaimer

Innovations for Poverty Action (IPA) was a partner in this identification process. IPA worked with a European aid agency to identify the most promising hypotheses on social cohesion from among a large group of program types and dimensions, including community-driven development and infrastructure, cash transfers, intergroup dialogues, peace media, economic empowerment, gender equality, and state-society relationships. We were able to draw on several lessons learned applicable to other organizations seeking to strategically and systematically identify and plan future impact evaluations on a topic.

Author

Irina Siminchina (Project Manager, Peace & Recovery)

Photos

Front Cover: In Panama, enumerators on an IPA project traveled up to 8 hours to test the effects of a math program on child learning in the indigenous community Ngäbe-Bugle.

Back Cover: A fisherman on Inle Lake in Myanmar.

Executive Summary

Impact evaluations can be an essential tool for determining if a specific program or activity had the desired effect. They can help to reveal what worked, or did not work, and why. But conducting such evaluations can be complex, costly, and time-consuming, placing a premium on proper preparation and identifying exactly which questions the impact evaluation will seek to answer. This case study provides lessons learned on **identifying how, when, and why to conduct an impact assessment** in large organizations with many, diverse program activities to produce high-quality evidence and ultimately inform policymaking.

Introduction

Organizations need to understand the impact of their programs: what works, what does not work, and why. Impact evaluations using experimental and quasi-experimental methods can be a tool to assess programs and their effectiveness (or lack thereof)—answering the questions “did it work” and “why did it work”? Besides answering essential questions for the organization, impact evaluations can also contribute to a growing evidence base that other programs and organizations can draw upon.

However, designing and implementing impact evaluations is not simple or easy, which is why this paper offers five key lessons distilled from experience. Impact evaluations require careful planning, expertise, and rigorous execution. It is important to determine strategically and systematically which insights one seeks to get from an impact evaluation and accordingly to understand where to invest valuable resources.

Programs intended to increase social cohesion can be complex to design and implement. The more complex the topic or program being evaluated, the more complex the impact evaluation process is likely to be. Simplified, social cohesion is essentially the glue or bonds that hold a society together. For example, one can seek to increase trust between or within societal groups. Not surprisingly, evaluating such programs can be difficult but possible.

Considering these complexities, Innovations for Poverty Action (IPA) partnered with a European aid agency to identify and prioritize opportunities to evaluate the impact of their programs on social cohesion. This article draws on several lessons learned that are applicable to other organizations seeking to strategically and systematically identify and plan future impact evaluations.

Preparation: Identifying When and Why It Is Useful to Strategically Identify Impact Evaluations

Evaluating the impact of an intervention in large organizations that have a broad portfolio of diverse activities is a complex undertaking. But such evaluations are also especially needed, given the rich insights they can yield and how those insights can benefit the organization itself as well as others working in the same sector. The key is to take a comprehensive approach to determine which programs (or which activities of a particular program) should be evaluated. A systematic and strategic approach that identifies potential avenues for conducting impact evaluations can have multiple advantages. These include:

- Prioritizing research questions that can focus valuable evaluation resources on the most interesting, pressing, and feasible areas for impact evaluations.
- Triggering discussion within the organization on data use, including the difference between traditional monitoring and evaluation (M&E) and rigorous impact evaluations.
- Putting a topic like social cohesion on the agenda and potentially prompting a re-evaluation of long-standing assumptions about an intervention's impact.
- Starting conversations with implementing partners to think ahead about future impact evaluations.

Impact evaluations should be planned well in advance of project implementation. Yet this is easier said than done: short project cycles that move quickly from the design phase to implementation, as well as unpredictability in resource availability, pose challenges for early planning. Preparing suitable areas for impact evaluations that can be tailored for the specific projects, and starting early conversations with experts can be the first steps toward a successful impact evaluation.

Execution: The Process of Identifying Potential Impact Evaluations

To identify potential impact evaluations, IPA, together with its partner agency, followed the steps outlined in **Figure 1**, below. The identification process began with examining common hypotheses on social cohesion. This first part of the process, which we call "background research," started with a review of existing academic literature. In parallel, IPA reviewed the agency's social cohesion-related programs and consulted with key staff at the global and country levels. In addition, IPA solicited input from academic researchers with expertise in impact evaluation methods and measuring social cohesion programs. Based on this initial research, IPA drafted a list of possible hypotheses regarding interventions that could lead to a positive impact on social cohesion. After holding additional theory-of-change and feasibility workshops and consultations, IPA summarized this list in broader, thematic areas to suggest generalizable intervention options and their potential for rigorous impact evaluation across the agency's portfolio. The agency then reviewed these options and selected the four most promising avenues for future impact evaluations.

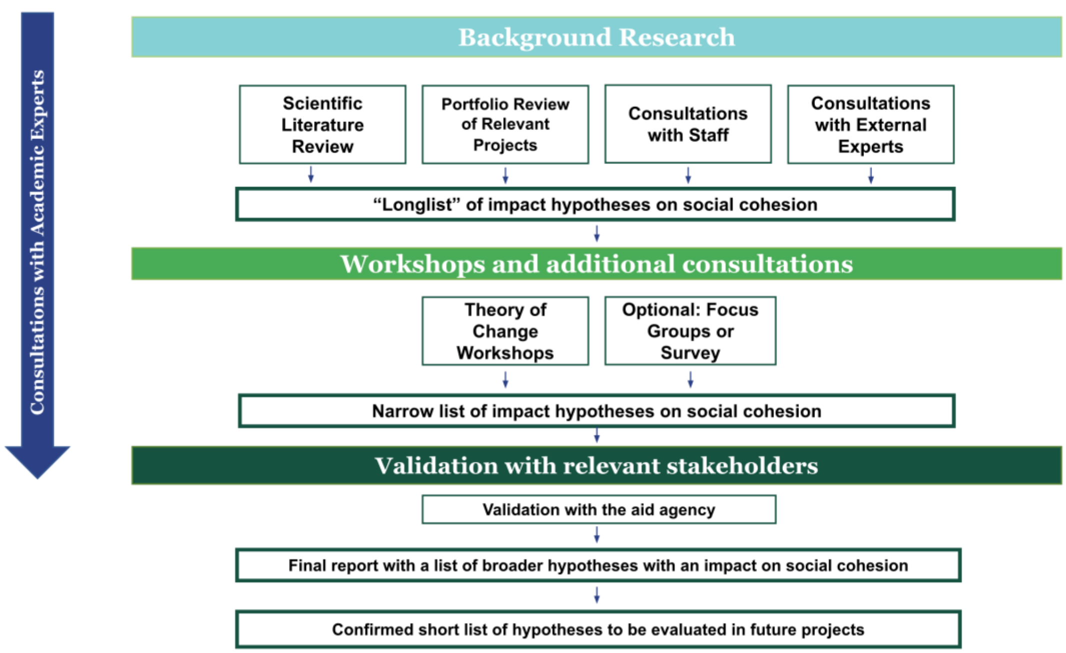

Figure 1: The multiple steps for identifying potential impact evaluations on social cohesion

This identification process is meant to be both comprehensive and adaptable for other organizations. The process on **Figure 1** produced several lessons that could be useful to other development actors that have diverse portfolios and are faced with the decision of where and when to invest in an impact evaluation. The five most important lessons learned on how to identify programs that are suitable subjects for an impact evaluation are listed below.

Identifying Impact Evaluation Targets: Five Lessons Learned

Impact evaluations can create misunderstandings. They can be conflated with M&E, practitioners can shy away from seemingly complex, quantitative evidence, or alternatively conduct impact evaluations without fully understanding the purpose or how the results will be used. The identification process is the key period to ensure all stakeholders understand the purpose of the impact evaluation and the questions it is designed to answer.

1) Work with stakeholders to ensure a clear, shared understanding of what an impact evaluation can (and cannot) achieve

Impact evaluations can answer if and why an activity had the desired effect and if it was cost-effective. But an impact evaluation on its own cannot determine if a program or activity was well implemented, which is the task of process monitoring. Impact evaluations should be used to measure causality and generate insights that other projects or organizations can draw upon. Therefore, there should be a commitment from all relevant stakeholders to act upon the evidence generated to improve future programming. Otherwise, organizations risk investing resources in extensive data collection efforts with a short shelf life. IPA, together with its partner agency emphasized these points repeatedly, through project development updates and workshops with staff and stakeholders to facilitate an awareness of the project's goal and build an understanding of the purpose of impact evaluations in general.

2) Use the literature review to identify evidence gaps, potential impacts, and especially evaluation mechanisms tailored to the organization's needs

A literature review analyzes existing knowledge derived from previous research. The literature review can help to identify the potential effect of activities on an outcome, the mechanisms behind an activity,[1] unanswered research questions, and where existing evidence is sufficiently robust that additional evaluations are not needed. In the latter situation, practitioners can draw on existing evidence to optimize their activities. However, in the case of social cohesion, rigorous evidence is scarce, the concept is often defined in different ways, and many different activities are understood to foster social cohesion. In such a complex scenario, it is important to identify which evidence and themes are most relevant for the organization and where their expertise lies. For instance, the partner agency mapped their program activities, which provided IPA with an overview and starting point for the literature review. After the first rounds of comprehensive reviews are completed, it is advisable to check in again with the organization to identify if the relevant thematic areas are covered. For example, the agency emphasized that a focus on state-society relationships (vertical social cohesion) could be valuable, and it was subsequently added as a focus area. Reviewing the organization's needs, its areas of existing expertise and extant literature helps identify the most promising avenues of inquiry. It also helps the organization to avoid investing time in a topic where it has no implementation experience, and which would not be suitable for an impact evaluation.

3) Conduct a project portfolio review and consult with the organization's staff to fill knowledge gaps

A portfolio review is necessary to precisely understand the implementation experience of an organization and thus safeguard against running a costly evaluation biased by implementation challenges. Documents like logical frameworks and final project reports help to understand the wider portfolio, the project's challenges, and implementation success. However, reports might not reveal much detail beyond the immediate needs of reporting to a donor. Therefore, consultations with a diverse set of staff and stakeholders—including project designers, project managers and implementers—help to understand the different projects and activities better. This can fill knowledge gaps and provide additional information

[1] A mechanism is the pathway through which a program or activity leads to a change in the desired outcome(s).

on project implementation. Because consultations should happen early in the identification process, the organization should facilitate and provide access to staff whose knowledge and experience is germane. While staff time is a valuable resource that should not be squandered, staff perspectives are indispensable. Furthermore, it can help to have a core group within the organization responsible to support activities throughout the identification process.

4) Consider carefully when and how additional information resources like workshops could be beneficial

While literature reviews and portfolio reviews can be highly valuable, additional ways to gain information and validate findings should be considered—especially if the organization only started to deal with impact evaluations. These additional activities can include workshops or focus group discussions that enable staff to discuss topics in more depth. Pointing out the mutual benefit of such sessions can motivate staff to participate. For example, IPA tailored workshops to discuss the theory of change and feasibility of activities and address open questions regarding project implementation. At the same time, the workshops provided staff with a platform to exchange and reflect on their project's theory of change, success factors, and challenges. Structured surveys are useful to collect more quantitative information. However, they can be hampered by fatigue and require an investment in clear, understandable questions. The timing of workshops, focus groups, and surveys is important; conducting them after staff have heard about the project and had initial interactions with the partner organization can generate higher response and participation rates. It is important to maintain a careful balance between the need to gain additional information and not overburdening staff with requests.

5) Validate insights throughout the duration of the project and communicate results to a specific target audience

In the end, after all the consultations and reviews, the goal of the identification process is to find the most promising hypotheses for impact evaluations. To achieve that, organizations and their partners should determine: **(1)** if there is sufficient scientific evidence indicating positive results on an outcome of interest; **(2)** if they have identified existing knowledge gaps and open questions that are relevant to address; and **(3)** if the organization has the capacity to implement the activity or set of activities that are expected to lead to the desired impact. Identifying these scenarios may not be straightforward. Therefore, establishing ways to validate your results is always a good idea. This can be done through consulting with researchers and practitioners with expertise in the topic of interest, conducting additional surveys, or having regular check-ins with an internal core group at the organization. At the final stage of the identification process, it is important to tailor the communication of the findings to the target audience, which could be high-ranking government officials, directors at donor agencies, or executives at implementing organizations. Often one needs to bridge academic jargon and perspectives with policy and programmatic language and goals. The partner agency, for example, clarified early on that they envision a product readable for practitioners and policymakers and IPA took measures to translate the academic perspectives for this audience, adapting the language, design, and graphs of its final product for this purpose.

Conclusion

The steps and lessons learned presented outline a comprehensive process to identify potential avenues for future impact evaluations. While the steps need to be tailored to specific needs and contexts, this study draws a framework of activities and shares important lessons for organizations to venture into thinking strategically and systemically about running impact evaluation studies in the future. This process helped to prioritize which of the agency's upcoming project activities could undergo an impact evaluation and started internal and external conversations to systematically think about running impact evaluations in the future. Identifying why, when, and how to conduct impact evaluations is a key step toward producing high-quality evidence and, ultimately, using it to inform policymaking.

Innovations for Poverty Action (IPA) is a research and policy nonprofit that discovers and promotes effective solutions to global poverty problems. IPA designs, rigorously evaluates, and refines these solutions and their applications together with researchers and local decision-makers, ensuring that evidence is used to improve the lives of the world's poor. Our well-established partnerships in the countries where we work, and a strong understanding of local contexts, enable us to conduct high-quality research. This research has informed hundreds of successful programs that now impact millions of individuals worldwide.

www.poverty-action.org