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Developing M&E Systems for Complex Organisations: A Methodology

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Almost all development organisations are expected to have systems that enable them to collect, analyse, summarise and use information. However, whilst there is a large and growing range of resources covering monitoring and evaluation (M&E), there is little guidance or support for those wishing to design M&E systems. The guidance that is available tends to focus on systems at project or programme level, rather than at country, regional or international levels. This paper attempts to redress this imbalance by describing a methodology that can be used to design an M&E system within a complex organisation.

A *complex organisation*, in this context, is an organisation that works on different levels to achieve its goals. Typically, a complex organisation will run or support different projects in different programmes across more than one country or region. The complex organisations used as examples in this paper include international NGOs (INGOs) and global networks based mostly in Europe. However, the methodology can be applied to any organisation carrying out different types of work in different locations.

Before outlining the methodology it is important to clarify what is meant by an *M&E system*. M&E systems mean different things to different people, and there are no standard definitions. Some people do not like the term, and prefer to talk about M&E *frameworks* or *approaches*. In this paper an M&E system (or framework or approach) is understood as *'a series of policies, practices and processes that enable the systematic and effective collection, analysis and use of monitoring and evaluation information'*.

As with any design work, people approach the design of M&E systems in different ways. There is no blueprint that will suit every situation. For some, design is more an art than a science, and is about being imaginative and innovative, and thinking outside the box. Others take a more pragmatic approach. The methodology outlined in this paper is largely mechanical in nature, and is based on my experiences in helping develop M&E systems for complex organisations over the past decade.

The paper is divided into two parts:

- Part One describes a methodology for designing an M&E system. This covers a number of stages from defining the scope and purpose of the system to its eventual roll out. However, it does not cover the implementation of the M&E system.
- Part Two addresses many of the technical issues that need to be considered when designing M&E systems for complex organisations. The information in Part Two may be useful to M&E system designers whether or not the basic methodology in Part One is followed.

Part One: Methodology

Step 1: Define the scope and purpose

When designing an M&E system, one of the first tasks is to clarify its scope and purpose – establishing what the system is, and what it is for. This can be surprisingly difficult. Although almost all individuals would say they know what an M&E system is, opinions are often widely different and sometimes contradictory.

Some people take a narrow view of an M&E system. They see M&E as a series of data collection tools designed to gather information and summarise progress against a pre-defined set of objectives and indicators. Others might widen the scope of an M&E system to cover elements such as baseline studies, reporting, learning mechanisms and data storage. Others think M&E and planning are so closely linked that they should be brought together under one planning, monitoring and evaluation (PME) system.

At times, it can also be difficult to gauge exactly where an M&E system begins and other information processes end. For example, some organisations draw a sharp dividing line between M&E and financial monitoring, whereas for others the boundaries are more blurred. Likewise, some organisations draw a clear distinction between personal or departmental objectives set under human resources monitoring frameworks and the objectives developed within an M&E system. Others see these as essentially part of the same package.

These distinctions are important when designing an M&E system because they help define the scale of the task. They might also help clarify what you have the authority to change. For example, when designing an M&E system you might decide it would be useful to make changes to an organisation's planning systems in order to generate objectives that are more easily monitored and evaluated. But if your role as a designer is seen narrowly in terms of developing a new M&E system you might not have the authority to make those changes. Consequently, any attempt to make alterations to existing planning systems might be seen as exceeding your terms of reference.

After establishing the scope of an M&E system, defining its purpose is the next important task. Most organisations developing a new M&E system do so because they believe what they have is insufficient for their purposes. Therefore it is important to understand what these purposes are. In many cases, organisations wish to develop (or improve) M&E systems to allow them both to be accountable to different stakeholders and to learn in order to improve performance in current or future projects or programmes. However, it is important to be clear in this area. An M&E system designed fundamentally to learn and improve performance will not necessarily be the same as one designed to show accountability. Nor indeed will a system designed to be accountable to donors or supporters always be similar to a system designed with accountability to partners and service users in mind.

It is important to be as clear as possible about the primary overall purpose of the M&E system, whilst acknowledging that people at different levels of an organisation might make different and competing demands on the system in order to balance requirements such as learning; improving performance; accountability upwards to donors, governments and supporters; accountability downwards to partners and service users; providing evidence for advocacy work; basic project and programme management; supervision and control; resource allocation; public relations; marketing and fundraising, etc.

It is also vital to be clear about the bottom line. There are almost always some aspects of an M&E system that are set in stone, or cannot be easily altered as they serve the needs of external organisations over which you may have no influence. It is important to clarify this as early as possible as, again, it will restrict the range of available options.

Example: In 2005, INTRAC helped develop an M&E system for a VSO programme in Southern Africa, designed to combat HIV&AIDS. The system was designed to cover a range of work carried out in six countries in the region. However, a number of factors affected the potential scope of the new M&E system:

- New international guidelines on monitoring and evaluating VSO projects had recently been issued by the VSO head office in London. These were non-negotiable.
- The programme had two major donors. Each donor had its own differing information requirements. These requirements were a basic condition of funding.
- The six participating countries had developed their own independent M&E procedures and practices before they had become part of the programme, and wished to continue using these.

This left very little room for manoeuvre. Rather than being designed with a blank page approach, the new M&E system instead attempted to reconcile and streamline the various information demands made by different agencies.

Step 2: Perform a situational analysis

Even when an organisation wishes to develop a completely new M&E system, there are almost always existing systems or procedures in place. Whether you want to design a new M&E system, or simply make alterations to an existing one, it is important to fully understand the consequences of doing so. This means acquiring an accurate knowledge of what is already in place. After clarifying the desired scope and purpose of the new M&E system, the next important step is to perform a thorough situational analysis.

Much of this analysis will be concerned with an organisation's M&E work. However, it is also important to look at associated areas. Depending on how you define your M&E system, associated areas might include planning systems, reporting systems, financial or administrative monitoring systems, management information systems, human resources systems or any other systems that might influence (or be influenced by) any changes you make.

There are many mechanisms that can be used when performing a situational analysis. Some of the most common are:

- A literature review is useful provided that an organisation's existing systems and practices are documented. You should try to access any documents that cover M&E work at the different levels of the organisation. This could include concept papers, overviews, plans, reports, manuals and guides.
- It is also important to interview different groups of people – either face-to-face or via telephone or email – to investigate their perceptions. These may be very different to the information contained in the literature. In particular, interviews might show whether the rhetoric of formal documents matches up with the reality.
- Site visits can be useful. These allow you to observe some parts of the M&E system directly, such as how information is stored or retrieved, how information is collected and analysed and the use of participatory M&E tools. If time permits you should consider carrying out a sample of site visits at different levels of an organisation. This includes visits to an organisation's partners where they are involved in the implementation of projects or programmes.
- Sometimes it might be useful to draw together a working group to discuss current systems and approaches. This can be a useful way of investigating any tensions between people or differences in the perception of current or proposed M&E systems. It can also help begin the process of designing the new system.

As well as performing a situational analysis on systems and approaches within the organisation, it is also useful to understand how other, similar organisations approach M&E work and how their systems are designed, implemented and maintained. This will provide a range of different options that have already been field tested, thereby helping you to build on the successes of others, and avoid repeating their mistakes.

Ultimately, you need to have as much information as possible about the current M&E system in order to inform you about the type of changes that may be feasible or desirable. In particular it is crucial to know how different people and departments within a complex organisation use the current system. There may

be parts of the system you feel are obsolete or unhelpful, and that consequently you wish to remove. Personal experience, however, suggests that there is seldom a template, report form, process, policy, procedure or practice – however badly thought through or designed – that is not considered indispensible by at least one individual or department.

In complex organisations, people often have detailed knowledge about the particular systems and processes they use in their daily work, but only a rough idea about those used in other parts of the organisation. It is not unusual to find that nobody has an exact knowledge of all the different planning, M&E and reporting processes and practices used within an organisation at all the different levels. Consequently, once you have a detailed overview of an organisation's information systems, you might even find that you are the only one within that organisation who has!

Step 3: Consult with relevant stakeholders

Consultation with a variety of different stakeholders is important as you will need to have buy-in to the new M&E system, and are unlikely to get this if people feel they have not been consulted or their needs have not been addressed. Consultations can be divided into two stages. Initial consultations are held with people at different levels of an organisation to assess their needs and expectations of the new M&E system. Later on, a smaller group of stakeholders will be needed to provide detailed input into the design of the new system.

Initial consultations can take place after the situational analysis has taken place, or in parallel. They can be carried out on an individual basis or through group discussions. Where there is limited budget to travel to different parts of the world or regions, consultation may to have to be via email or telephone. Sometimes, surveys or questionnaires can be used to acquire the views of a large number of people. The purpose of the initial consultations is threefold: to ensure that different groups have some input into the decisions that will affect their work or lives; to ensure that there is buy-in to the new system; and to improve its potential quality.

Within a complex organisation, M&E systems may affect many different stakeholders. It will not usually be possible to address all of these, but it is important that different groups are properly represented. Typically, you might want to consult with the following groups.

- Staff at different levels of the organisation who will be expected to maintain or use the new M&E system should always be consulted. This might include staff at head offices or secretariats, staff in regional or country offices, and staff at programme or project level.
- It is often useful to talk to key partner organisations, especially where they are responsible for designing or implementing projects or programmes.
- In some cases it might be useful to talk to board members or trustees of an organisation.
- It might be useful to talk to representatives of major donors, particularly if their money is being used to support the development of the new system.
- In some circumstances it might also be useful to talk to selected community groups or service users.

Later consultations are required in order to begin to design the M&E system. These consultations should therefore be restricted to a smaller group of people. It is helpful if this group includes people who have an in-depth knowledge of an organisation’s existing systems, and either experience of, or interest in, developing new systems. Those whose job it will be to roll-out or maintain the new M&E system should also be included within this group.

Time and resources permitting, it is sometimes useful at this stage to hold a workshop. The workshop can be used to introduce people to the different options available, to discuss the broad overview of the new M&E systems, and, where time allows, to begin to develop the details.

Whatever processes are used for consultations, it is always essential to get early buy-in from senior management. Wherever possible you should ensure that senior management or their representatives are consulted throughout the whole process, are kept informed and updated, and are happy with the

direction of events. Experience from a wide range of different complex organisations suggests that this is the single most important consideration that will affect the success or failure of the new M&E system.

Step 4: Identify the key levels

Once you begin the design phase, you will need to consider where the M&E system will sit – at which levels plans are made and/or information is collected, analysed, summarised, shared and used. (And remember that information collected at one level can be analysed, summarised and used at a variety of different levels).

A typical complex organisation, such as an INGO, might work in a number of regions. Each region may include a number of different countries. Country work might be broken down further into programmes and projects – often implemented through partner organisations. An international M&E system would need to consider all these levels. In fact, what looks from the outside like an international M&E system is usually a series of overlapping and interlocking M&E systems at different levels, with information and analysis (hopefully) flowing between them.

> **Example:** Save the Children Sweden operates at a number of different levels. Its vision, mission and main working approaches are described at the *global* level. At the *regional* level, strategic plans are developed and reports are generated on a regular basis. Plans and reports are also developed at *country* level. Work within regions and countries is divided into *thematic programmes* (usually concerning child education or protection). Thematic programmes are then divided into *projects* that are implemented by partners, or occasionally by SC Sweden itself. Each separate level has its own cycle of planning, monitoring, evaluation and reporting processes. These cycles together combine to form the international PME system.

For many organisations the position is more complex. For example, an INGO with a wide brief may work in a number of different pre-defined sectors such as health, education or HIV&AIDS. Consequently, it may be more important for them to summarise and analyse information by sector rather than by geography. For example, they may wish to analyse information from different health programmes within a region, instead of worrying too much about summarising information across different sectors within a country. In this case the 'regional sector' level would be equally as important, if not more so, than the 'country' level.

If an organisation is serious about investing in cross-cutting or mainstreaming issues, these must also be included as separate levels, as information will be analysed or summarised at these levels, even if it is actually collected at programme or project level. However, it would only be necessary to include the additional level of 'mainstreaming', rather than including a level for each different mainstreamed or cross-cutting issue.

> **Example:** Trocaire has recently brought in a new system of strategic planning, with plans developed, and reports produced, at *organisational*, *regional* and *country* level. Country work is divided into specific *programmes* which fit into one of six specific themes outlined in the organisational strategic plan. Programme work is carried out by partners who run *projects*. Each programme is expected to state how it will contribute to the cross-cutting issues of developing civil society, HIV&AIDS and gender. Information is therefore summarised and analysed at the *cross-cutting* level as well as at project, programme and higher levels.

Capacity building is one area that is often overlooked. If a complex organisation provides technical capacity building to a partner to help improve its implementation of a project or programme then this can easily be handled by M&E procedures at project/programme level. But what if the capacity building is more general, covering issues such as governance, fundraising or developing operational systems? Or what if the partner is involved in implementing more than one project or programme? In these cases it is often useful to include the level of 'partner'. This is especially important for complex organisations that claim that the increased capacity of supported partners in the medium- to long-term is more important

than the short-term gains that could be achieved by intervening directly. In this situation it is equally or more important that the results of capacity building work with partners are captured than the results of the projects and programmes they might implement.

This demonstrates why it is so important when designing an M&E system to thoroughly understand the objectives of an organisation. It is essential that M&E sits at the right levels to help organisations improve performance (or display accountability) in the areas they are most concerned with. Unfortunately, this is not always the case. For example, many INGOs are proud of their added-value work, such as mentoring and supporting partners, coordinating advocacy work, and providing linking and networking support. This work is intended to support projects and programmes by ensuring that efforts are coordinated and leveraged for maximum effectiveness. The effectiveness of added-value work is one of the key justifications why donors and governments choose to channel funds through INGOs, rather than funding Southern civil society organisations directly. Yet I have worked with a number of INGOs over the past few years where virtually no M&E is carried out at this level. Instead, almost all M&E is carried out at project level, with information analysed and summarised at programme level or higher. These INGOs can say very little about the results of their added-value work because they have no formal mechanisms for planning, monitoring and evaluating that work. Quite simply, the M&E systems are operating at the wrong levels to capture what is considered most important by the organisations themselves.

Example: WaterAid has recently developed a new programmatic approach to planning. Within a country, programmes are based geographically, on a rural/urban split, or in any other way considered appropriate. Each programme contains a set of objectives. Programmes are further broken down into projects, usually run by partners, which also contain objectives. As an additional exercise, WaterAid programme staff are now expected to set objectives to show the results of WaterAid's specific, added-value contribution within each programme. Together, the monitoring and evaluation of partners' projects, and WaterAid's added-value work, provides information that shows the different contributions towards programme results.

At the end of this stage of the design process you should have clearly identified a number of key levels. It is not essential to include every single level – otherwise your M&E system may quickly become unwieldy. But you should at least have identified the key levels at which you wish to collect, analyse or use information in the areas of your work that are most important to you and at the main levels where you hope to bring about change.

Step 5: Select key focus areas

When developing an M&E system for a complex organisation, the most critical decision you have to make is how far to insist on common procedures and practices, and how far you should allow people at different levels of the organisation freedom to develop their own solutions in response to their own particular needs. This is a delicate balancing act. If there is too much rigidity the M&E system may be inflexible and may not serve people's needs at different levels. This will almost inevitably reduce the quality of information collected, and therefore any resulting analyses. However, if you go to the other extreme you might end up with a series of separate M&E systems at different levels. This will make it difficult to summarise information at higher levels. It might also make it difficult to ensure the consistent quality of M&E work.

This stage of the design process is therefore concerned with choosing key *focus areas* to tie the M&E system together. The methodology used in this paper divides M&E into a number of different areas (see below). The areas do not always have to be the same, and there may be considerable overlap between them. However, they ought to cover the main functions of an M&E system.

Different areas of M&E

- **Planning systems**: planning approaches, tools, methodologies and templates.
- **Setting objectives:** how objectives are set within an organisation, what they look like, and how

they are linked together between different levels.

- **Indicators**: the selection, collection and use of indicators, and how indicators are linked between different levels.
- **Baseline information**: the collection, use and analysis of information that shows the situation at the beginning of a piece of work in order to compare progress at a later date.
- **Tools**: the different mechanisms that are used for recording, generating or analysing information, ranging from straightforward techniques such as interviews and observations to more complex methodologies such as most significant change (MSC) and outcome mapping.
- **Participation**: who participates in different M&E processes, how and why. This area is particularly concerned with the involvement of partners and service users.
- **Information disciplines**: the use of evaluations, impact assessments, appraisals, assessments, situational analyses, research studies and other disciplines. This area is concerned with how and when these exercises are carried out, and how they are linked.
- **The use and analysis of data**: how information is used for different purposes at different levels of an organisation.
- **Reports:** the range of reports generated at different levels of an organisation from simple reports outlining activities undertaken through to more complex analysis reports.
- **Learning mechanisms**: the different tools, techniques and procedures used to share information and learning within and between different levels of an organisation.
- **Data storage**: how information is stored and retrieved at different levels.
- **Supporting processes**: the vast range of processes essential to the effective implementation of an M&E system, such as how people are trained and supervised, how information flows between different people, how information is reviewed at different levels and how an organisation deals with the reporting of mistakes and failures.
- **Practical issues**: the resources required to implement and maintain an M&E system, including the personnel and finance available to undertake M&E work.

By selecting the key focus areas, you are trying to develop an overall framework that clearly identifies where everyone has to do the same thing, and where there is flexibility for independent approaches. How the system is tied together will depend heavily on the overall aims of an organisation, as well as the key purpose(s) of the M&E system.

It is not necessary to select only one area as your key focus area. A complex organisation may want to tie an M&E system together in several areas. In general, however, the more focus areas you select the more inflexible the system might appear. On the other hand, if you are unable to select any focus areas to tie your M&E system together you might have to ask yourself whether you have a system at all.

When selecting key focus areas, there are many different options available. A few examples of how different organisations have approached this are shown below.

Examples of how different organisations have developed key focus areas

- Many organisations insist that all regions, countries or programmes use the same planning methodologies. These range from common templates designed to capture strategic plans through to insistence on the use of logical frameworks at programme or project level.
- Some organisations (such as Save the Children UK and other alliance members) ask all programmes to set objectives under broad dimensions of change. The objectives themselves are specific to each particular situation, but have to fit within wider domains outlined at organisational level.
- Some organisations (such as World Vision International) have defined common indicators for particular kinds of development interventions that all relevant programmes across different countries are expected to use.
- More commonly, organisations (e.g. WaterAid) develop broad indicators at global level, and expect regions, countries, programmes and projects to set successively more detailed indicators at lower levels. Indicators at lower levels are then captured, summarised and

analysed at higher levels, as well as at the level they are collected.

- Some organisations require different countries and programmes to use specific tools of data collection and analysis. For example GOAL has developed a type of multi-indicator cluster survey (MICS) which is used in many of its countries.
- Transparency International is considering introducing a common organisational capacity assessment tool that it hopes will be used by all chapters in different countries to assess and improve organisational capacity throughout the network.
- ActionAid's ALPS system allows flexibility in many areas of M&E, but insists that service users are involved at each stage of planning, monitoring and evaluation.
- Perhaps the most common approach, many INGOs require countries, programmes and projects to submit regular reports according to specified formats. This means that M&E systems can be very different in different contexts, but the reporting of progress, change and lessons learned is consistent.
- Some organisations (e.g. Concern Ethiopia) ask all programmes and projects to conduct regular, facilitated, internal learning reviews to supplement more formal M&E procedures.

There is a wide range of options available, and an almost endless series of combinations. For example Save the Children UK ties its international M&E system together in more than one focus area. At programme level, objectives have to be set according to a fixed format within dimensions of change (setting objectives) and each country has to undertake a specific form of stakeholder review at regular intervals (learning mechanisms). In addition, there are standard approaches for the development of regional, country and programme plans, and the timing and structure of reports.

Once you have identified the key focus areas where you would like to tie your M&E system together, you will have gone a long way towards designing your overall system. At this point it is usually worth pausing to get buy-in from different areas of the organisation, and in particular from senior management. If there is no buy-in at this stage then you may have to go back to the drawing board and start again.

Step 6: Fill in a grid

For some organisations, the selection of key focus areas may be all that is required. However, for many complex organisations further work is needed to identify minimum standards and expectations within each area at each level of the organisation. I find it helpful at this stage to develop a grid with the different levels listed across the top and the different areas of M&E on the left hand side (see below). Each individual cell of the grid can then be looked at in turn to decide how far to standardise practices and processes.

Example of a grid used to identify minimum standards and expectations

	Key levels		
	Country	Programme	Project
Planning systems			
Setting objectives.			
Indicators			
Baseline information			
Tools			
Participation			
Information disciplines			
The use and analysis of data			
Reports			
Learning mechanisms			
Data storage			
Supporting processes			
Practical issues			

There is usually a spectrum of choices available in each area and at each level. This can range from providing complete autonomy to decision-makers at different levels, through to the definition of minimum expectations or standards, and ultimately to insistence on more rigid procedures. There may sometimes be a combination of different choices in each cell. For example, when looking at different information disciplines you might want to insist that all country programmes are subject to periodic evaluations but leave flexibility to decide how that evaluation is carried out. Or under participation you might recommend that all projects involve service users in the collection and analysis of monitoring information, but leave the question of their involvement in planning processes open.

The completed grid will help supply the detail of the M&E system, and will allow you to build up an overall picture of how the system will work at and between different levels of an organisation. The grid may appear complex at first sight, but once you have selected your key focus areas the rest of the grid can normally be developed by a dedicated team or individual in a matter of days if not hours. Further details on the ways in which different M&E areas can be linked together in complex organisations can be found in Part Two. A grid used recently during the development of WaterAid UK's M&E system is included in the appendix.

In this step, as in the previous one, it is important to concentrate on designing your M&E system according to your own organisational needs, for the purposes you identified at the beginning of the process. You might have other demands made on your M&E system by external organisations. However, these can be handled at a later stage. On the other hand, if you design your M&E system too closely around the demands of external agencies, you run the risk of having to constantly adjust your M&E system, or even abandon it altogether, should there be significant changes in those demands.

Step 7: Work out the details

Once you have developed the overall framework of your M&E system you will need to develop the details. This will involve work in the key focus areas which tie the M&E system together, or in other areas where there are minimum expectations or standards. This is often the most time-consuming and difficult stage of the development of an M&E system.

The detailed work required will vary depending on how the M&E system has been designed. Work could include developing planning templates, designing or adapting information collection and analysis tools, developing organisational indicators, developing protocols or methodologies for service-user participation, designing report templates, developing protocols for when and how evaluations and impact assessments are carried out, developing learning mechanisms, designing databases or any one of a hundred other tasks. However, these do not always have to be developed from a blank canvas. There may already be examples of best practice within an organisation that could be exported to different locations or replicated more widely.

In many cases the detailed work will exclusively be concerned with M&E. This might include designing tools or templates for information collection and analysis, or developing organisational indicators. Here it may be possible (and even desirable) for the individual or team responsible for designing the M&E system to carry out the work independently. However, in other cases the work might have wider implications. For example, if you need to develop templates for planning and/or reporting you will have to consult much more widely, as plans and reports are important not only for M&E work but also for a variety of other functions within an organisation such as marketing, fundraising, finance and campaigning. Wider consultation should also help to improve buy-in to the new M&E system (although it may considerably increase the time required to develop it).

It might also be worth doing some pilot testing at this stage. Newly developed processes, procedures, tools, templates or protocols could be sent out for comment, or, where feasible, tested under field conditions and adjusted accordingly.

At the end of this stage you will have developed a core M&E system. The system will have clearly defined areas where different levels of the organisation are expected to show consistency and many other areas where flexibility is encouraged. The core system is not expected to supply all the information needs at different levels of an organisation, but will define the minimum expectations. A well-designed M&E system will ensure a consistent approach to the collection, analysis and use of information, whilst allowing considerable scope for different parts of an organisation to develop their own solutions in response to their own particular situations.

Step 8: Integrate the M&E system horizontally and vertically

It would be nicer (and much easier) if M&E systems could be designed and implemented in isolation. However, this is rarely possible. An organisation's M&E system needs to be integrated horizontally (with other organisational systems and processes) and vertically (with the needs and requirements of other agencies). This integration may not be a separate stage in itself, and can occur in parallel with the other steps described above. However, it is normally better to design your own core system first and then allow for different internal or external requirements as necessary, rather than seeking to build a system according to the rapidly changing and sometimes conflicting demands of different stakeholders.

Integration horizontally ensures that the M&E system is properly aligned with other organisational systems such as financial, administrative, logistics, fundraising or human resources systems. This might be a trivial process or it might be quite difficult. Particular care needs to be taken when introducing new planning, reporting or data storage systems as these are often used by a variety of functions or departments within an organisation.

At this stage it is important to ensure that different systems are properly streamlined. Nothing arouses greater anger amongst field staff than the tendency of different head office departments to repeatedly ask for the same information. This happens when different information systems are not properly integrated. For example, a monitoring system will often want to know if activities were carried out as planned, and if not, why not. But where budgets are aligned with activities then a finance department will want to know exactly the same information. If both functions design report forms independently then the same information will be requested twice. A streamlined system avoids this.

> **Example:** BESO was a UK-based organisation that sent out experienced volunteers for short-term consultancies in developing countries and transitional economies. On their return to the UK, BESO volunteers were routinely debriefed by the departments responsible for marketing, volunteer liaison and M&E. Each department had slightly different information requirements, but much of the information they required was the same or similar (such as how the consultancy went, what activities were undertaken and what might be the likely results in the medium- to long-term). However, there was no coordination between the three departments. This resulted not only in the replication of time, effort, money and paperwork; but in many cases excessive irritation on behalf of the volunteer concerned as well.

Vertical integration might also be a trivial process, but can sometimes present difficulties. For example, if an organisation has one major donor requiring an annual report then it would make sense to ensure that reporting schedules are designed so as to feed into that report. In addition, there is an increasing tendency for international NGOs and networks to work within broad alliances or federations. In these cases the M&E systems of other alliance or confederation members will also need to be considered.

It is important to note that just because vertical integration concentrates on major donors, host governments or sister agencies does not necessarily mean that your M&E system is designed around upwards accountability. On the contrary, it may be just as, or more, important to ensure that M&E systems are properly aligned with the needs of different partners, communities and service users. However, in complex organisations the role of an organisational M&E system is not normally to prescribe how programmes and projects interact with these important stakeholders when carrying out M&E. Instead it is to ensure that there is sufficient flexibility within the system to allow for appropriate decision-

making at lower levels in different situations so that M&E systems at programme or project levels can be properly integrated with those of partners and other community-based stakeholders.

Ultimately, the aim is not to develop an M&E system that will supply all of an organisation's needs, as these needs will be constantly shifting and evolving. Instead it is to develop a system that will ensure there is consistency within M&E work across the organisation. It is accepted that different parts of an organisation will then have to carry out additional M&E work designed in response not only to their own individual needs, but also those of the other stakeholders with which they interact.

Step 9: Roll-out the system

The final step is to roll-out the new or revised M&E system. Contrary to popular myth, it is not necessary for everyone at all levels of an organisation to have a detailed knowledge of how the M&E system works. However, there are three different areas where everyone should have at least a common understanding.

- People should be aware of the main overall purpose(s) of the M&E system.
- People will also need a general overview of the M&E system, and where the key focus areas are. They will need to know in which areas they are free to develop their own solutions and in which areas they are not.
- People will need detailed information and guidance in the areas of the system where everyone is expected to do the same thing, or carry out M&E work consistently. This might mean specific training around areas like using tools, filling in templates or complying with organisational databases.

A traditional approach to roll-out often involves writing a training guide, manual or policy paper and then distributing it throughout an organisation. But this ignores the fact that different people have different learning styles. '*Some prefer doing (activist learning style), some prefer reflecting (reflective learning style), some conceptualising or thinking (theoretical learning style), and some prefer to decide by trying out new ways of working (pragmatic or experimental learning style)*' (Kolb (1984), quoted in Smit (2007)). Some people might benefit most from written instructions whilst others will benefit more from discussions, mentoring or experimentation. Resources permitting, more than one mechanism for rolling out a system should be used. This could include guides, training manuals, mentoring approaches, staff exchanges, interactive media, training days or workshops.

Once the new M&E system has been rolled out, the only thing left is to start implementing it. That, of course, is another story!

A few lessons

Developing an M&E system within a complex organisation is not easy, and there are many examples of systems that have failed to deliver on their intended purposes, or have fallen into disuse. This section contains a few key lessons learnt from practical experience over the past decade that might help address some of the more common challenges.

- If the people designing a new M&E system are not part of the senior management team then it is almost always essential to get senior management buy-in early. Without the support of senior management at different levels an M&E system is unlikely to be effective. Senior management can easily undermine a new system. On the other hand, if they lend it their full support the effectiveness of an M&E system can be greatly enhanced. This is especially true for senior management at head office, regional office or secretariat levels.

- Getting management buy-in early is not only politically useful, but also avoids the dangers of interference at a later stage. The introduction of a new M&E system almost always has wide implications for an organisation, and it is only natural that senior managers should seek to ensure that they are part of the decision-making process. If you do not make sure their views are heeded at

an early stage, you run the risk that they will want to make major changes once a system has been developed and is about to be rolled out, or worse once training on the system has already begun.

- Be clear about what you have the authority to change. Some areas of work within an organisation clearly fall within the jurisdiction of those responsible for M&E. However, other areas, such as planning processes, reporting formats and data storage systems are shared areas – areas that are vital to a number of different departments or functions within a complex organisation. If the development of a new M&E system requires changes to these shared areas you will need to be certain that you have the authority to do so. Even so, you are likely to require the active involvement and cooperation of a large number of people or departments.

- Don't feel that you have to make everyone happy. Within development circles, participation is almost universally considered to be a positive thing. To a point this may be true when developing an M&E system. But there is a danger that when too many people are involved in designing a system it ends up trying to be all things to all people, and loses coherence as a result. When carrying out consultations it should be emphasised that whilst different views will be considered it is not always possible to make changes to one area of an M&E system without having significant knock-on effects in other areas. In complex organisations an M&E system may be a complicated affair. If it is to be made simple at the point of use then the design team needs to be allowed to get on with the job without having to cater to every comment and suggestion, no matter how ill-informed. As a systems designer it is important to be able to say 'no'. If you were designing a nuclear power station you would not feel obliged to take on board every single comment about tolerance levels for electrical components from people with no knowledge of, or experience in, designing nuclear power stations!

- An M&E system should be built to last. It may be unwise to design a system around things that are subject to regular change. For example, you could safely assume that if an organisation currently has global, regional and country strategic plans containing broad objectives then it will do so in the future. It would therefore be okay to expect programmes and project objectives to feed into higher-level objectives defined within these plans. However, if a report form or template asks projects and programmes how they have contributed to specific higher-level objectives then the questions will need to change each time the strategic plans change.

- Try to reduce unrealistic expectations. Sometimes, people think that a new M&E system is going to solve all of an organisation's problems. They are led to believe that it will enable management to make accurate and timely decisions based purely on the analysis of M&E information, or that enhanced M&E will enable an organisation to be fully accountable to different organisations at a range of different levels. But even with the best system there is a limit to what M&E can achieve, and it is important to be clear about those limits right from the start.

- Similarly, if too much is promised from an M&E system then people working at programme or project level are bound to be disappointed. If people are told that a new M&E system is going to change their lives then they are inevitably going to be resentful when it doesn't. In fact, a new M&E system might make an organisation more professional, but for the individuals within that organisation it could mean extra work for no immediate reward (as the rewards might accrue to people subsequently joining the organisation). It is usually better to be as honest as possible from the outset, and to explain clearly how the new M&E system might affect people's workloads.

- Try to take away as much work from people as you can. It is natural for people to resent new policies, practices and procedures, particularly when they have spent a lot of time and effort learning the old ones. When asking people to carry out new work it is always helpful to be able to take away some of the old work. This can actually be quite difficult. As mentioned earlier, however bad a template, form, tool or process you can guarantee that someone will rely on it and will kick up a fuss when it is removed. Any idiot can add a new element into an M&E system, but it can take a genius to get rid of something that is already there!

- Design the system fully before carrying out training. M&E systems should be simple at the point of use even if they are complex overall. But people carrying out training should fully understand how the system is intended to work in different ways at all levels so that they can resolve issues or address concerns. This is impossible to do if the system is rolled out before the design stage has been completed. Bitter experience has taught the dangers of going into a workshop hoping to gloss over details of how a system will work. You will almost always be found out.

- Finally, when designing a new system you should be brave and innovative. Davies (1995) refers to what he calls the 'fate' of many M&E systems, which seem to slide inevitably from extensive attention in the detail of setting them up to modest concern for data generation, less interest in the use of that data and ultimately a minimal interest in it as an instrument of evaluation. Indeed many senior practitioners and academics within M&E circles remain unconvinced that the majority of complex organisations' M&E systems actually enable them to measure the results of their work. If this is true, then there is little to be gained by adopting a conservative, traditional approach over a more radical one. It is better to be brave and design something new that might work than to stick to tried and tested methods which will be guaranteed to replicate old flaws.

Part Two – Some things to consider

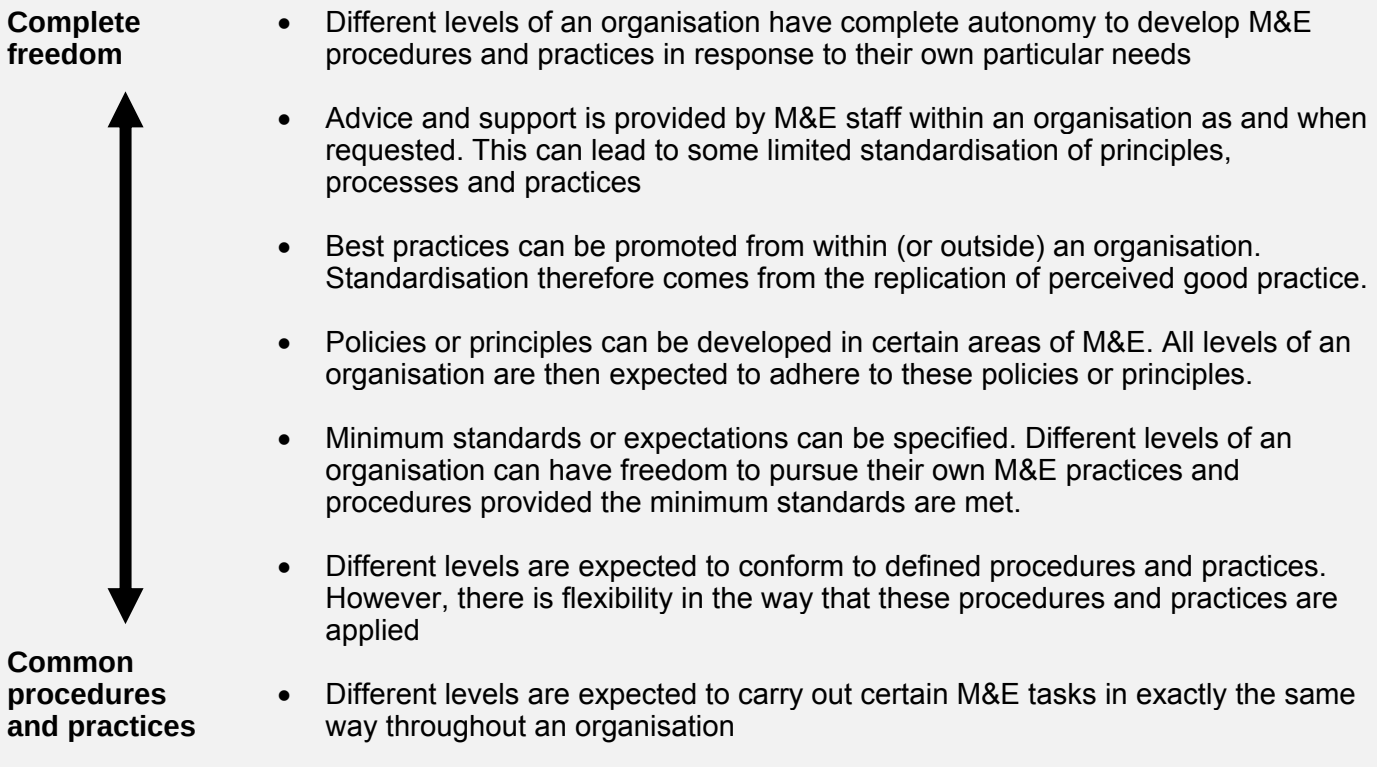
Part Two covers some of the more technical issues that need to be considered when designing M&E systems for complex organisations. These issues will usually have to be addressed whether or not the basic methodology in Part One is followed.

In Part One of this paper I argued that, for an M&E system designer, the most critical decision to make is how far to insist on common procedures and practices, and how far you should allow people at different levels of an organisation freedom to develop their own solutions in response to their own particular needs. Therefore, an essential task is to choose key focus areas to tie an M&E system together. I also argued that it is important to assess where minimum standards or expectations should be imposed within different areas of M&E at different levels of an organisation.

In order to do this, M&E needs to be broken down into different areas or functions. My own approach is to define thirteen different areas. These are covered in this part of the paper. However, these different areas have evolved over the years, and they can be adapted, expanded or contracted as desired. As stated earlier, it does not matter if there is considerable overlap between the different areas.

When considering how far to insist on common procedures and practices in the different M&E areas there is often a wide spectrum of choices available (see diagram below). The remainder of Part Two outlines some of the common ways in which standardisation can be applied within different areas of M&E. It is important to remember that there are many options other than those described within this paper. However, it is equally important to remember that the different options are only things to consider, and that if you try and impose too many common practices and procedures at different levels you may find your M&E system quickly becomes rigid and inflexible.

Choices available to system designers in each area of M&E



1. Planning systems

It is probably fair to say that planning systems are generally further developed than M&E systems in most complex organisations. Planning is often considered integral to M&E, which is why many organisations talk about PME (planning, monitoring and evaluation) systems (see Bakewell 2004). But whilst good planning may be essential for good M&E, planning is also undertaken for a range of other purposes that have little to do with M&E. This is sometimes a problem for system designers, who may find it difficult to make desired changes to planning systems in order to facilitate good M&E.

However, the development of consistent planning processes at different levels of an organisation is one of the most common ways in which an organisation's M&E system can be tied together. Indeed, it is relatively common for a complex organisation's M&E system to be focused around the planning and reporting stages. The definition, collection, analysis and use of data (the monitoring and evaluation itself) then becomes a 'black box' with staff at different levels completely free to develop their own practices and procedures provided that sufficient information is generated to report against plans.

Most complex organisations require a range of different plans at different levels. These include strategic plans, which might be based geographically (e.g. globally, regionally or at country level), according to sectors (e.g. health, education), according to type of work carried out (e.g. capacity building, advocacy, development education) or using a range of other criteria. At lower levels, programme plans are usually expected. An organisation's partners, too, may be expected to provide or help develop plans at programme or project level.

As well as defining where plans are expected, an organisation might also develop guidelines, or strictures, outlining how these plans are developed at different levels. For example, an organisation might insist that its staff use specific planning tools (e.g. stakeholder analysis), involve different groups of people in different ways (e.g. involve service users in the development of plans) or carry out plans according to certain principles (e.g. developing situational analyses according to child rights principles).

Sometimes planning documents are developed against broad guidelines or headings. In other organisations, especially at programme/project levels, specific forms or templates might need to be filled in. These templates vary from organisation to organisation, but usually include a core set of common questions or headings covering areas such as the local context, problem analysis, goals and objectives, key target groups, allies and partners, key working approaches, risks and assumptions, M&E/learning requirements and budgets.

A more controversial matter concerns the enforced use of logical frameworks. Organisations often insist that a logical framework is used as a common planning tool at certain levels, giving no choice to staff at those levels. Many organisations also insist that programmes and projects develop logical frameworks, even when they are implemented through local partners. Partners then have to use the tool, even if it does not suit their own purposes, for the sake of having a common planning approach across an organisation. (Whilst having some sympathy with the view that logical frameworks can be an unhelpful burden placed on the backs of funding recipients (see Edwards 1997, Garbutt and Bakewell 2005) I have also experienced the very real difficulties of attempting to relieve organisations of this perceived burden. People that complain bitterly about having to use a logical framework have been known to get even louder and more strident when faced with the threat of its removal as an obligatory planning tool.)

Another issue to consider is the frequency with which plans are re-examined and re-developed as necessary. Some M&E systems include this as a regular, systematic procedure – for example by asking for adjusted plans to be attached to annual reports. Others state the re-development of plans as a vague expectation, or ignore the issue altogether. Even where an M&E system has nothing to say on the issue it should at least make sure that there are no unnecessary barriers to re-visiting and re-developing plans.

Ultimately, an M&E system designer may or may not have much influence over any of these areas. Where an organisation's planning systems are already well established it is unlikely that too much is going to change. However, provided an organisation's planning systems are already sufficiently well developed, or where an organisation is developing or updating a PME system, it is extremely common to

regard consistent planning policies, procedures and practices as key areas of work that help focus an organisational M&E system.

Example: ActionAid's ALPS (accountability, learning and planning system) includes a core set of strategies and strategic plans that have to be developed and written up under key headings. As well as strategies at international and country level, strategic plans have to be developed for international themes, regional and international campaigns, international functions and programmes. Although the planning levels are clearly defined, the plans do not have to be submitted according to fixed templates, and the method of writing can vary according to circumstances. In addition to strategic planning processes, there is also a well-defined supporting system of annual plans and budgets, linked to financial requirements.

Equally importantly, ALPS contains a number of key planning principles which are considered essential to the process. For example, ActionAid requires that all planning should be participatory. It also requires that all planning should put analysis of power relations and a commitment to addressing rights – particularly women's rights – at its heart.

Source: ActionAid International (2006)

2. Setting objectives

In a broad sense, an objective describes what a project, programme or organisation wants to achieve. Objectives are known by many different names. These include goals, aims, purposes, outcomes, overall objectives, specific objectives and results. However, whatever terminology is used, an objective should be more than an activity. It represents what an organisation tries to achieve, not what it does. The setting of objectives is commonly used as a key focus area for organisational M&E systems.

"A meaningful plan for monitoring and evaluation can only exist in relation to clearly defined objectives and strategies" (Okali et al. 1994). Unfortunately, objectives are not always developed with M&E – or even project or programme planning – in mind. For example, where people are trying to get approval for a project or programme they are sometimes tempted to set objectives at a very high level. This might make a proposal look more ambitious, which could mean it is more likely to gain approval or funding. On the other hand, where it is known that resources will be allocated according to whether or not objectives have been achieved, people might be tempted to set objectives at a very low level.

These are the realities of life in the current development climate, and there is no point in insisting that people set realistic objectives if doing so means they don't get the funding necessary to try and achieve them. However, as far as good M&E is concerned, neither of the two scenarios described above is helpful. As far as possible, a good M&E system will try to ensure that realistic objectives are set at different levels, against which progress can then be assessed.

Most complex organisations seek to ensure that different types of objectives are developed at different levels. This normally includes broad objectives associated with strategic plans down to detailed objectives for specific pieces of work at lower levels. In addition to defining where objectives are required at different levels, an M&E system might also want to specify the particular plans, forms or templates that will be used to record those objectives.

Some organisations are content to allow different people to use whatever terminology they want when developing objectives. Others are stricter in insisting that certain rules are adhered to. For example, Transparency International has in the past allowed a wide range of different terms to be used in planning documents and logical frameworks, but is now bringing in one, consistent set of terminology to be used by all parts of the organisation. This avoids the type of problem that occurs when the objectives contained in project or programme logical frameworks do not match up either in terminology or actuality with the objectives contained in the summaries or proposals of those projects and programmes.

Some organisations impose different standards on the setting of objectives. Many organisations insist that objectives are set according to SMART (specific, measurable, achievable (or attributable or

accurate), realistic (or relevant) and timebound) principles. Others insist that objectives are always quantitative, or that a mixture of quantitative and qualitative objectives is used. Some organisations approve the setting of broad, none-specific objectives, whilst others state that objectives do not need to be SMART provided that there are specific indicators with which they can be measured. At the other end of the scale, some organisations leave all these decisions entirely to local decision-makers.

Another issue concerns how objectives are developed, and who should be involved. Some organisations expect service users or community representatives to be involved in developing programme or project objectives. Others regard this as an aspiration provided capacity is sufficient to facilitate the process. Still others ignore the issue altogether and leave it to local decision-making. Equally, some organisations are expected to run programmes in true and equal partnership, setting objectives collaboratively with partners. At the other extreme, I have worked with programme partners that are completely unaware of the programme objectives to which they are expected to contribute, or don't even know they are in a programme at all! An M&E (or PME) system would normally be expected to be explicit about where there is flexibility in each of these areas and where minimum standards need to be applied.

In many organisations, objectives are linked between different levels. Most complex organisations develop broad objectives at organisational level and then expect lower-level objectives to contribute towards them. However, in some cases this is little more than a vague recommendation or expectation with no mechanisms for ensuring compliance. Other organisations are stricter about ensuring that objectives at programme or project level feed into higher-level objectives and so on up to organisational level. For example, some organisations have formal approval processes designed to check that objectives are correctly aligned.

When objectives are linked between different parts of an organisation, early- or late-linking processes can be employed. Early linking ensures that objectives are explicitly linked by making sure that lower levels set objectives to feed into higher levels. Late linking means that people at lower levels are free to develop any objectives they choose. Those objectives, as and where relevant, are then linked to (or mapped onto) higher objectives at a later-date.

One very specific method of linking objectives, both vertically and horizontally, is through the use of dimensions of change. These were first used by Oxfam GB in response to calls for organisations in the UK to improve their ability to summarise achievements across their entire range of work. They were later adapted by SC UK and other SC alliance members. Dimensions of change are broad domains of change to which different levels of an organisation are expected to contribute. Within these domains, objectives are set that are very specific to the local context (see example below). Organisations using this particular method hope it will enable them to summarise progress or achievements in specific domains of change across a range of different types of development interventions in different locations.

Example: Save the Children UK's dimensions of change are changes in:

- the lives of children and young people.
- policies and practices affecting children's and young people's rights.
- children's and young people's participation and active citizenship.
- equity and participation of children and young people.
- societies' and communities' capacity to support children's and young people's rights.

All SC's thematic programme plans are required to have objectives which outline precisely what those programmes will achieve for children. The objectives either directly reflect the five dimensions of change (by having one objective per dimension) or, as a group, reflect the dimensions of change. This is because the five dimensions of change embody the areas of change SC as an organisation believes it should and could be making. However, it is also because embodying the five dimensions of change in the objectives provides a focus for planning, implementation, the design of working approaches, and M&E.

Source: Save the Children UK (2004)

3. Indicators

Indicators are another very common key focus area for complex organisations' M&E systems. There is a variety of different ways in which an M&E system can be tied together using indicators. However, one of the most basic things to consider is whether there is a common understanding throughout an organisation of what an indicator is. There are numerous different definitions of indicators and, although they are universally used within development organisations, different people have very different views about what an indicator is and how it should be used. Does this matter? Probably not in a decentralised M&E system. However, if you wish to use indicators as a key focus area then it might be wise to try and ensure there is common understanding.

So, first of all, what should an indicator look like? Many organisations do not specify this. Others, however, have made efforts to ensure more consistency. For example, some organisations are happy for indicators to contain real numbers (e.g. 50 people trained), whilst others stipulate that they should not (e.g. # of people trained). Some organisations specify that indicators should not include words such as 'increase' or 'decrease' as this makes them look like targets. There is also an increasing tendency for organisations to ask for supplementary information to be attached to indicators (see example below). As a rule of thumb, the more you wish to link indicators between different parts of your organisation, the more consistency you will need in the way indicators are defined.

> **Example:** DFID's new logical framework requires indicators to be set at goal, purpose and output level as previously. However, in addition, people are now required to fill in columns for baseline and target information alongside each indicator to show what the situation is at the start of a project or programme and what the target position in. People are also expected to develop milestones to show progress towards these targets. As well as asking for additional information, DFID has also renewed its emphasis on the use of disaggregated beneficiary data within indicators, baselines and targets.
>
> Source: DFID (2009)

Having decided what an indicator should look like, the next task might be to identify where indicators should be defined. Most organisations require that indicators be set at project and programme levels. However, some require indicators to be set against strategic objectives whilst others do not. Some M&E systems also require indicators to be defined at mainstreaming or cross-cutting levels, added-value levels, or at any other level where objectives are developed.

Another question concerns how indicators are developed. In many organisations this is left entirely to local decision-making. However, some organisations, especially those operating from a rights-based perspective, have protocols or minimum standards for ensuring that service users or community representatives are involved in the development of indicators. This is more likely to be the case at programme, project or partner level than higher up in an organisation. Where an organisation and its partners have joint ownership of programmes there may also be an expectation – implicit or explicit – that partner staff share in the task of developing indicators.

Next, there is the issue of how indicators are linked together within an organisation. Information on an indicator is frequently collected at the level at which it is set. However, some organisations attempt to link indicators vertically, so that when one level of an organisation develops an indicator, the information is actually collected at lower levels. This can happen in different ways.

Firstly, and most commonly, indicators are defined in broad terms at higher levels, such as organisational, regional or country level. They then become successively narrower and more focused at lower levels. The information collected at lower levels can then be collected together and summarised at higher levels. This allows an organisation to illustrate change at higher levels, even though the information is actually collected at programme or project levels (see example below). However, where organisations link indicators in this way, they need to ensure they have appropriate mechanisms for doing so. This might involve staff at lower levels mapping their indicators onto higher-level indicators. Or

it might involve staff at higher levels managing the information. In either case, the work involved to link indicators in this way is often considerable and time-consuming, even where sophisticated electronic databases are used to help manage the process.

Example: Many complex organisations set broad indicators at organisational level to show how they are helping to promote the voice of local civil society organisations (CSOs). An example might be that *'civil society's voice is heard during debates on resource allocations'*. This is an intangible piece of information which cannot be collected directly at organisational level. Instead it relies on tangible information or indicators being collected at country, programme or project levels. These might include:

- *'government invited a CSO to attend a meeting to discuss policy'*
- *'extracts from a written statement of a CSO were copied into a government policy document'*
- *'a policy championed by CSOs has been taken up by a government minister'*

These three tangible pieces of information could all be collected under the one indicator at organisational level to illustrate ways in which civil society is changing across different countries and regions.

More rarely, a small subset of indicators might be collected using common tools or methodologies and then aggregated to higher levels. For example, an organisation might wish to know how many schools it has built in different countries over a certain period. Each country could be asked to identify how many schools have been built. The numbers reported from each country could then be added together (aggregated) to reach a total. However, for this system to work, each country would need to have the same definition of what a school is and a common understanding of what 'building it' means. This is never as easy as it sounds, and where organisations try to link indicators in this way it is essential that all parts of the organisation are working to the same definitions and standards. Organisations that attempt to count beneficiaries will already have experienced the significant challenges that need to be solved when adding together numbers from different places, over different timescales, and in different contexts.

Even rarer is when organisations attempt to aggregate information at outcome or impact level. In order to do this, different parts of an organisation must use the same outcome or impact indicators using the same definitions and standards. This is the Holy Grail for many INGOs that would allow them to measure performance across different sectors and regions. But the fact that it has never been fully successfully achieved supports the argument that the technical and practical problems involved may just be too great.

Organisations might also develop core outcome indicators that can be used at programme or project level even if those indicators are not explicitly linked between different levels (see example below).

Example: World Vision International has developed a core set of transformational development indicators (TDIs). The purpose of the indicators is to show the quality of life of communities, families and children where World Vision is facilitating community-based, sustainable, transformational development programmes. The indicators are captured in every World Vision development programme on a regular basis. They represent a mixture of quantitative and qualitative information. Some, although not all, could potentially be aggregated between different parts of the organisation. There are twelve indicators. They range from sharply defined quantitative indicators such as *'percent of children 0-59 months with diarrhoea in the past two weeks whose disease was acceptable managed'* to broader qualitative indicators such as *'community members care for each other'.* For World Vision International, the development of core outcome indicators represents a key focus area for its organisational M&E system.

Source: World Vision (2007)

Some organisations have to link their indicators to those of external organisations. For example, it has sometimes been a requirement of funding that organisations link their indicators (or objectives) to the

millennium development goals (MDGs). Some donors also develop their own high-level indicators. They then insist that recipient agencies develop organisational indicators that can be mapped onto the donor's.

Finally, an organisation may develop standards for how indicators are collected or used. A common method is to develop a standardised indicator plan. An indicator plan requires people to specify exactly how and when information will be collected. Typically, for each indicator people are asked to specify who will be responsible for collecting it, how it will be collected (i.e. what tool or methodology will be used), when it will first be collected, and how regularly it will be collected. Whether this is simply a recommended option, or enforced more rigorously, it does help to avoid the tendency for indicators to be ignored after they have been defined, or treated merely as decoration for logframes.

4. Baseline information

Baseline information is considered an important element of many M&E systems. Yet it is quite difficult for a complex organisation to make baseline information one of its key focus areas. This is for two reasons. Firstly, to do so would mean baseline information being collected in the same way across a range of different countries, programmes and projects. But this would imply that the work carried out across these locations is similar enough for the same baseline indicators and tools to be used. This is rarely the case. Secondly, the capacity of different parts of a complex organisation to develop effective baseline information might be widely different. There is no point in insisting on complex tools or methodologies for capturing baseline information if staff are unable to use them properly.

Instead, it is more common for complex organisations to leave decisions on baseline information up to local decision-making, or to treat the collection of adequate baseline information as a minimum requirement. For example, Concern Worldwide's programme cycle management system requires baseline plans for all programmes within countries, but does not specify centrally how baselines should be carried out.

Another option is to develop a procedure or methodology for gathering baseline data that can be applied across a cross-section of an organisation's work. This allows for some summarisation or aggregation of information, whilst acknowledging that the procedure or methodology cannot be applied universally. An example of this is described below.

> **Example:** GOAL and its partners regularly conduct annual multi-indicator cluster surveys (MICS) with the aim of monitoring the evolving health, livelihoods and HIV&AIDS situation of communities. As well as being used to gather trend data over time, the MICS is also used to gather baseline information when starting interventions in a new area. GOAL has a standard questionnaire that is used every time a MICS is conducted. The questionnaire is field-tested in-country, and any necessary adaptations are made. However some of the questions relate to GOAL's core indicators, and these have to be applied across all countries and programmes. The system thus allows for some central coordination in order to summarise data across different programmes, whilst still allowing for adaptation to suit local requirements.
>
> Source: GOAL (2008)

Sometimes, tools or methodologies for acquiring baseline data can be developed and consistently applied for a specific working approach. Many complex organisations work using a variety of different working approaches such as service delivery, capacity building, advocacy and development education. Whilst there is no common baseline methodology that can apply across all these approaches, it is possible to develop a tool that could be used for one approach only. For example, some organisations have developed standard tools for assessing the capacity of supported organisations. In theory, these tools can be used to build up an evolving picture of how the capacity of different organisations changes over time. To date, however, the results of these experiments have not been totally convincing.

5. Tools

When people are asked for their expectations at the beginning of an M&E training event, the likelihood is that at least some will hope to go away with different tools that they expect will improve their M&E capacity. This expectation often leads to problems, largely because people over-estimate what a tool can achieve. In fact, some have argued that the underlying attitudes towards information collection, use and analysis are far more important for M&E then the technical merits or otherwise of specific tools of data collection and analysis (see Simister 2000). At a recent INTRAC workshop, one delegate went so far as to argue that the only tools that many organisations are able to use effectively are the ones they have developed themselves, because these are the only ones their staff truly understand!

Be that as it may, a large and growing number of M&E tools are now available to development organisations. However, as with the case of baselines, it can be very difficult for a complex organisation to define tools as one of its key focus areas for M&E. This is basically for the same reasons – firstly, the work of complex organisations is often quite different in different sectors and locations, and secondly, people's capacity to use different tools effectively varies from sector to sector and between and within countries.

Many complex organisations therefore leave the choice of different tools up to local level decision-makers. (The main exception to this is the logical framework, which is often imposed at different levels of organisations. However, although used as a basis for M&E, the logical framework is essentially a planning tool). In some cases, though, organisations have developed or adapted specialised tools for data collection and analysis that are used across different locations and types of work. For example, GOAL uses a multi-indicator cluster (MICS) system, as described in the previous section, whilst WaterAid uses a technique called waterpoint mapping to monitor people's changing access to water over time. Other organisations specialise in the use of participatory M&E methodologies such as PLA (participatory, learning and action) or sector-specific tools for measuring progress in fields such as health, nutrition, water and sanitation, HIV&AIDS or education.

Rather than insisting on the use of these tools across an organisation's work, it is more common for complex organisations to develop toolkits. Several complex organisations have developed detailed user guides or manuals, containing guidelines covering different tools, together with examples of how they have been used or adapted within an organisation. For example, Trocaire has recently developed a database that contains examples of different tools developed, used or adapted by Trocaire and its partners. This is a growing trend, and many toolkits are now available to be shared between different complex organisations.

Some M&E methodologies are complex enough to be used as complete M&E systems in their own right. These include most significant change (MSC) methodology and outcome (or boundary) mapping. However, although both these systems are used within complex organisations, the tendency to date is to apply them in pockets across the organisation to supplement more traditional forms of monitoring and evaluation.

In summary, whilst there may be some commonality in the use of tools, it is rare for this area to form one of the key focus areas for a complex organisation's M&E system. I know of only one attempt to develop an M&E system around the use of different tools at different stages in the programme cycle, and this was abandoned at an early stage due to fears about the consistent capacity of staff to use the tools effectively.

6. Participation

The active participation of service users in planning, monitoring and evaluation processes has now become part of development orthodoxy. As a result, most complex organisations at least encourage staff at different levels, and the partners with which they work, to involve service users in M&E wherever possible. Service user participation is considered beneficial for two reasons: firstly, because it helps generate better M&E data and analysis, and secondly, under a rights-based perspective, because it is

considered that service users have the right to be involved in all areas of work that have an influence over their lives.

As far as the former is concerned, complex organisations need to decide how far they will encourage service user participation, and in which areas. For example, service users might be involved in choosing tools and methodologies for monitoring progress, in the selection of indicators, in collecting information, or in analysis and decision-making. At the other end of the scale, more extractive tools or methodologies might involve service users as the passive providers of information during monitoring, review or evaluation processes, without having much say over how M&E is carried out. Complex organisations have to decide how far they are willing to allow local decision-making in these areas, and how far any tools, procedures or practices should be standardised.

For rights-based organisations, the situation is clearer. Here, the purpose is not so much to improve the quality of information and analysis (although that is still considered a major benefit) but is instead to realise the rights of people to be involved in processes that affect their lives. Rights-based organisations are more likely to make it an explicit requirement that service users are fully involved in M&E, particularly at programme, project and partner levels. Few organisations, however, have gone as far as ActionAid, which guarantees the involvement of service users at all levels of planning, monitoring and evaluation (see example below).

Example: In some ways, ActionAid's accountability, learning and planning system (ALPS) is similar to those of many other complex organisations. At different levels of the organisation there are core institutional requirements for strategic plans, three-year rolling plans and budgets, annual reports, strategic reviews and annual participatory reviews and reflections. However, ALPS is also designed to strengthen ActionAid's accountability to poor and excluded people. In order to achieve this, ActionAid *'requires that poor and excluded people take part directly in all processes of local programme appraisal, analysis, planning, monitoring, implementation, research and reviews'* on the basis that *'poor and excluded people have a right to take part in the decisions that affect them'*. ALPS further requires ActionAid to *'work with poor and excluded people to facilitate their analyses, respecting and critically engaging with what comes out of it. This means that the priorities and perspectives of poor people must inform the decisions made at all levels by ActionAid and its partners'*. The active participation of service users is therefore at the heart of the ALPS system, and forms one of its key focus areas.

Source: ActionAid International (2006, p7)

Another issue concerns how partners are involved in the planning, monitoring and evaluation of programmes and projects. This will depend to a large extent on whether programmes are designed and implemented in collaboration with partners, or whether a partner is merely sub-contracted to deliver parts of a pre-defined programme. Most complex organisations require partners involved in programmes to submit regular progress reports, but some also create space for regular participatory programme reviews or other mechanisms to allow for the free and full exchange of information and analyses between interested parties.

Some complex organisations also encourage partners to take equal responsibility for designing, implementing and using programme M&E systems. However, in a typical complex organisation the types of programmes carried out, and capacity of partners to undertake M&E, varies so widely that these decisions are considered best left to local decision-making.

7. Information disciplines

A great deal of M&E work is carried out as an ongoing process. But there are also distinct disciplines that are carried out periodically. These include reviews, evaluations, impact assessments, sustainability studies and research studies. Many of the best examples of good practice in the field of M&E arise from work carried out within these discrete areas. This is partly because these disciplines can be carried out relatively independently (often involving a dedicated team working over a short time period), and are not

over-reliant on wider M&E practices and procedures. However, if they are not to remain as isolated pieces of work, these disciplines need to be linked into the wider M&E system. There are a number of ways in which complex organisations seek to ensure this.

The first involves developing simple guidelines for when each discipline should be carried out. For example, a complex organisation might state that every country programme has to be evaluated every 3-5 years, or all programmes over a certain budget should be subject to a formal mid-term review and evaluation. In this way, a schedule of reviews, evaluations and impact assessments can be developed at each level of an organisation. (It is worth noting, however, that the situation is often made more complex as many programmes and projects are funded by donors that impose their own evaluation requirements).

As well as looking at the timing of different disciplines, some organisations also develop protocols covering how different information disciplines should be carried out. These protocols might cover how the disciplines should be commissioned and organised. They might also include minimum requirements for some of the areas covered in this paper; such as who leads (or owns) the process, who should be involved and how, which tools should be used, how information should be shared and how reports might be structured.

Sometimes, the combination of how and when information disciplines are carried out provides the key focus area for an organisation's M&E system (see example below).

> **Example:** Part of VSO's (voluntary service overseas) international M&E system is based around regular reviews with key partners. These reviews take place annually. They normally take place on-site, and include representatives from VSO, volunteers and partner staff. The reviews are designed to assess progress over the previous year and plan for the year ahead. They are considered valuable in their own right as a vehicle for shared analysis and learning. However, they also result in short reports describing progress and lessons learned, and containing new objectives and/or indicators against which future work can be assessed.

Whilst the timing of some disciplines might be written into organisational schedules, there are others that might only be carried out on a sample of work. For example, in-depth research, impact assessments and sustainability studies might all be considered valuable exercises. However, most complex organisations have to limit the amount of this work they carry out because of time, money and capacity limitations. In this case it might make sense for an organisation to centrally coordinate the timing and focus of these disciplines in order to ensure that a representative sample of its work is covered.

Finally, there is the issue of how practically to link the different information disciplines into the wider organisational M&E system. This might require work in two broad areas. The first area involves developing simple procedures for enabling organisational information to be accessed and used by staff responsible for carrying out different disciplines. For example, people conducting an evaluation of a programme or sector will almost certainly want to look at M&E information and analyses generated throughout the course of that programme or sector to date. This should be relatively easy to access. But they might also want to look at M&E information generated in other parts of the organisation at other times in order to plan the work effectively, compare progress or identify common lessons learnt. A good M&E system needs to have appropriate data handling mechanisms to allow this to happen.

At the other end of the scale, once a piece of work, such as an evaluation or impact assessment, has been completed, some systems or procedures may be needed to ensure that information and analyses generated are not lost, but are fed into the wider M&E system. There is often a vast amount of institutional knowledge trapped in different appraisals, situational analyses, reviews, evaluations, impact assessments and research documents that is unavailable to the wider organisation because no procedures exist for sharing or accessing the information. At the very least, an organisational M&E system might consider setting some simple rules or guidelines covering what should happen after a discipline has been completed. This could include advice on methods for sharing information formally throughout an organisation (or at least interested parts); protocols for attaching reports to databases or management information systems; procedures for ensuring follow-through on recommendations; and

guidelines for the future use of any completed reports. These guidelines might help avoid the ‘evaluation graveyard’, which has been the experience of many complex organisations in the past.

8. The analysis and use of data

The previous sections have mostly been concerned with the technical side of M&E, from planning and setting objectives, through to using indicators, baselines and tools. This section, and the following two, cover the outputs of an M&E system.

At an organisational level, when asked to state the purpose of an M&E system, most people opt for a mixture of learning in order to improve performance and accountability to a range of different stakeholders. However, at lower levels of an organisation this may not always be the case. For programme and project managers, or those maintaining relationships with partners, M&E might be more about keeping work on track (basic project or programme management) or providing a mechanism for supervision and control.

My experience in this area is that there is often a huge gulf in understanding between staff sitting in head offices – either globally, regionally, sectorally or even sometimes within a country – and those based at field level. Staff based in head offices often do not appreciate the kind of systems that field staff require in order to manage their work. In many cases, however, the management of day-to-day tasks is field staff’s primary motivation for carrying out M&E work. Equally, local staff often resent the M&E demands placed on them from above, without always understanding the pressure that head office or secretariat staff might be under to acquire funds or manage constitutional relationships with different stakeholders.

Again, it is a balancing act. An organisational M&E system, depending on the purposes for which it was designed, might need to enable and support learning. It might need to demonstrate results for accountability purposes. It might need to generate information in a systematic way that can be used to support international or regional advocacy work or campaigns. And it will often be used to identify stories that can be used for marketing, public relations and fundraising. To some extent, all these functions need to be built into an organisational M&E system to ensure that the right kind of information is collected and analysed, and that it gets to the right people or departments in a timely and methodical manner.

On the other hand, an organisational system also needs to have enough flexibility to ensure that staff at lower levels can develop and implement their own M&E solutions in response to their own needs. In addition to learning and accountability, these might include basic project or programme management, providing some control over the activities of partners, assessing staff performance and deciding on resource allocation.

Sometimes, all the different policies, processes and practices covered by an organisational M&E system will amount to only a small fraction of the M&E work carried out at field level, from logging journey times to accounting for expenditure, recording minutes of meetings, writing up notes from field visits, observing practices within supported organisations and communities, and carefully recording all the work actually carried out within different programmes and projects. Arguably, the job of an organisational M&E system is not to ensure that this local-level M&E work is carried out, but instead to create space for staff at different levels to develop their own M&E procedures and practices without being over-burdened by demands from the centre. In other words, to get out of the way and let people get on with their jobs.

9. Reporting

Reporting is a specific output of an M&E system, and is present in almost all organisational M&E systems. Reporting is similar to planning in that it is used by many departments or functions within an organisation. Consequently, developing new reporting formats, removing old ones or adapting existing ones always requires wide consultation within an organisation. However, reporting is one of the most common ways of tying an organisational system together, and is a key focus area of M&E for many complex organisations. Indeed, many complex organisational M&E systems are tied together at the planning and reporting stages, with M&E considered as the ‘black box’ in between (see example below).

Example: Some years ago, the ECPAT International Secretariat wanted to develop a new M&E system. Although this was designed for use at the Secretariat, it was hoped it could also be applicable to members of the wider ECPAT network. The system piloted consisted of a series of planning frameworks developed by different departments, and a series of different reporting templates covering activities carried out and resulting changes. The M&E system provided no central guidance on what indicators should be used, whether or not baseline information should be collected, what tools or methodologies should be employed, or who should be involved in information collection and analysis. The M&E system, therefore, was entirely focused around the planning and reporting stages. The only implicit assumption was that any M&E carried out should be of sufficient quality to enable the different reports to be compiled.

Within a complex organisation there are often numerous reports, which are designed and used at a variety of levels. These include logistics reports, timesheets, financial reports, administrative reports, etc. Within an M&E system, many reports at lower levels are focused on activities and budgets. At the higher end of the scale, analytical reports are typically based around descriptions of progress (together with supporting evidence), achievements, failures, lessons learned and recommendations for future work.

Most complex organisations need some level of formal reporting in order to fulfil accountability obligations to governments, donors or trustees. Many, if not most, organisations therefore have a reporting schedule which outlines the minimum reporting requirements at different levels of the organisation. These schedules include reports for M&E purposes, but might include other types of report as well. For example, there may be a stipulation that partners have to provide a full financial breakdown of income and expenditure at regular intervals. In addition to minimum reporting requirements it is normally assumed that different levels of an organisation will want or need to generate and use their own reports, subject to different circumstances.

For each report defined within an M&E system, there are a number of different levels of flexibility that can be employed:

- There may be different levels of flexibility regarding the content of reports. An organisation might outline the main purpose of the report, and leave the details to those producing it. Alternatively, it might develop key headings as a guideline, or advise on the desired length of the report. A more rigid approach is to develop formal templates with questions that need to be answered. Some reports also contain boxes that need to be ticked, or multi-choice questions. These provide the least flexibility of all, but are very convenient for handling large quantities of information.
- There may be flexibility in the timing of reports, or they may have to be completed according to a predefined schedule. For example, the regularity with which implementing partners report to programme staff could be defined centrally within an organisation, or could be left to different regions, countries or programmes to decide. An experimental alternative that has been tried out in one or two organisations is to only expect reporting by exception. This means asking staff or partners only to provide reports when they feel they have something unusual to say.
- There may be different levels of flexibility in how reports are used after they have been produced. Any required actions after completion of the reports could be dictated at organisational level or at lower levels. For example, an organisational M&E system could seek to ensure that all reports passed between different levels result in formal written feedback being received. There may also be formal stipulations about how information contained within a report is shared within an organisation, or there may be specific approval or sign off systems that need to be implemented.

Ultimately, a complex organisation will usually need to know which reports are regularly generated, what information they contain, what standards they adhere to, and how they are used (see example below).

Example: SC Sweden defines a number of reports that have to be submitted at programme level throughout the organisation. These include a child rights situational analysis, a thematic programme plan, an annual regional plan of action (and budget), quarterly financial reports, six-

monthly descriptive reports and an annual analysis report. The thematic programme plans and annual analysis reports have to be filled in according to a template developed centrally. For all other reports there are suggested headings only. At project level, partners are expected to develop plans and submit annual reports. For these reports there are recommended templates, although these can be adapted to suit local requirements. More regular reporting required at partner level is at the discretion of regional or country managers.

A key decision that many complex organisations have to make is whether or not to impose their own reporting requirements on their partners. Some organisations develop specific forms or templates which programme or project partners are expected to use. This sometimes means partners have to develop plans or write progress reports in languages that are not their own, which can severely reduce the value of such exercises to them. Many organisations allow more flexibility in this area, and are content to allow partners to use their own language(s) and reporting formats providing these cover minimum information requirements. (This is rarely the case for financial reports, which often have to adhere to much stricter guidelines).

Within an organisational M&E system, key reports are often designed to be distributed up a hierarchy, or at the most shared horizontally. However, some organisations think it equally important, if not more so, to share reports downwards to communities and service users. Here, again, an organisational M&E system would not be expected to dictate exactly how this should happen (as this would in any case be subject to different circumstances in different locations), but could provide support for such ideas, or even set minimum standards and expectations in this area (see example below).

Example: ActionAid's ALPS system actively encourages the use of alternative forms of communication other than lengthy written reports. For example, ActionAid believes that people's art, oral traditions, theatre and song are some of the ways in which people can engage their creative talents and develop insights. In addition, the ALPS system specifically requires all ActionAid information, including appraisals, strategies, plans, budgets, reviews and reports, to be open to all stakeholders, especially poor and excluded people. This sometimes requires active efforts to be made to translate key documents to local languages, or promote visible public sharing of information. ALPS also encourages open information sharing through bulletin boards and posters easily accessible to communities.

Source: ActionAid International (2006, p8)

10. Learning mechanisms

There are a number of different areas in which an organisational M&E system might want to support learning:

- Whatever its primary purpose, it is to be hoped that an organisational M&E system will generate new learning which can be used to improve existing or future performance. This learning might be used by people at the level at which information was generated and/or analysed. However, in many cases there are people elsewhere within an organisation who might benefit from that learning. Therefore, mechanisms might be needed to ensure the sharing of information.
- Learning happens within an organisation all the time, irrespective of how good an M&E system is (or even whether one exists or not). It is often useful if at least some of this learning is then captured by an M&E system, so that it might become part of an organisation's institutional knowledge, and then shared through whatever mechanisms exist.
- Some M&E systems support or encourage specific exercises designed to generate mutual learning between different stakeholders. Depending on how wide an organisation's definition of an M&E system is, these can include stakeholder review meetings, workshops, peer reviews, exchange visits, seminars and conferences. Again, information captured through these mechanisms can then be shared more widely using such mechanisms as exist.

Obviously, many decisions concerning how to generate and share learning need to be made at local levels. However, there is a key role for an organisational M&E system in helping to propagate information and learning between different parts of an organisation. Unlike formal reporting – which is frequently carried out on a vertical, hierarchical basis – learning often needs to be disseminated horizontally, between different sectors, regions, countries and programmes and across teams employing similar working approaches. This clearly implies a coordinating role for an organisational M&E system.

Most complex organisations have at least some organisational processes and mechanisms that can support the sharing of learning. These cover both supply-side learning – where learning is generated and then spread through vehicles such as written reports, presentations, videos, exchange visits and information databases – and demand-side learning – where learning is stored using various media until someone specifically needs it (Smit 2007). Other examples of mechanisms commonly used by complex organisations to share learning include newsletters, group emails, the dissemination of case studies and the use of development journals.

The learning mechanisms described above help to ensure learning is systematically recorded and shared within an organisation, in order to supplement mechanisms developed at local levels. However, some organisations have gone further, and made particular learning events a key focus area of their organisational M&E systems. Many complex organisations (ActionAid, SC UK and Trocaire to name but a few) have developed different kinds of stakeholder reviews at country or programme level that supplement more formal M&E processes. These reviews typically perform a number of different functions, but are primarily designed to create the space for staff and other stakeholders to review and analyse information, and openly discuss successes, failures and lessons learned in a safe environment.

> **Example:** Concern in Ethiopia implements a number of different programmes and projects in different sectors and locations. Each has its own formal M&E system, and each requires the generation of regular accountability reports to different governments and donors. Since the nature and extent of all this formal reporting was considered to be inconsistent with learning principles, a system of learning reviews was developed. All programmes and projects are allocated time for a periodic, facilitated learning review. This review builds on information collected through formal M&E processes, but also builds on the knowledge and experience of Concern (and sometimes partner) staff. A short, bullet-point report is produced and shared following each review. However, this report does not form any part of Concern's formal accountability mechanisms within Ethiopia. The purpose of the reviews is expressly to generate new learning, and share existing learning in order to improve the performance of existing and future projects and programmes. The reviews form their own separate part of Concern Ethiopia's M&E system, and operate in parallel with more formal processes.

One of the key challenges in this area is that many complex organisations do not see learning mechanisms as falling within the scope of an organisational M&E system. Therefore, M&E systems are not always designed with learning at the forefront. In the methodology described within this paper, the development, sharing and use of learning information is always considered when an organisational M&E system is being developed, and is therefore integral to that system.

However, as stated at the beginning of this paper, it is not always easy for an organisational M&E system to serve two primary functions at once, and hard decisions sometimes need to be taken at the start of the process. Experience suggests that unless an organisational M&E system is specifically designed with learning in mind, there is an inevitable drift towards its use as a vehicle for demonstrating formal accountability upwards.

11. Data storage

If the previous three sections can be said to cover the outputs of an M&E system, the final three cover supporting procedures. The first of these concerns data storage. The extent of data storage systems at organisational level will depend on how well developed an organisation's management information systems (MIS) are. Many complex organisations have database systems that store a wide range of

information. Where these exist they often include M&E information. Where organisations have less developed MIS systems you might need to develop a dedicated database for the M&E system. On the other hand you might also decide that the electronic storage and retrieval of information is unnecessary.

Different types of M&E information can be stored centrally on electronic databases. Some examples are:

- Organisations often have the facility to attach reports to databases, such as planning documents, annual reports, evaluations and research studies. Access to these reports might be restricted to central users, or they might be available more widely through the internet or intranets.
- Some databases include raw data. For example, information on objectives, indicators, baseline figures, targets, activities planned and completed, etc might be captured by a database. This often happens when an organisation has computerised financial database systems, and wishes to link budgetary and finance information to activities undertaken.
- If an organisation's M&E system is based around the use of common indicators, then databases might be needed to help store and process information coming in from different parts of the organisation. Data can be entered at local level, or reports can be submitted in other ways and the data entered centrally. For example, if an organisation requests information on the number of potential beneficiaries from every single project it supports then it will usually need some form of electronic database to store and manipulate that information.
- Sometimes, databases are specifically developed to enhance learning within an organisation. These databases are often updated on a voluntary basis, with different parts of an organisation free to submit comments, suggestions and ideas, along with examples of pilot approaches, new tools developed or existing ones adapted (see example below).

Example: Trocaire developed a database that was designed to facilitate and enhance the quality of M&E work carried out throughout the organisation. The database, which was accessible to all staff, contained short and discrete explanations of M&E policy, procedures and practices, as well as user guides, tools and methodologies used within Trocaire. Evaluations and other reports with cross-organisational interest were also submitted to the database. Staff at different levels of the organisation were encouraged to post experiences, comments and suggestions, and were also encouraged to attach examples of best (and sometimes worst) practice throughout the organisation in order to facilitate cross-organisational learning.

As well as centrally-coordinated databases, many complex organisations also develop databases operating at regional, sectoral, country or programme level. These databases are easier to develop and use at local levels because working approaches or indicators will tend to be more similar. Once again, an organisational M&E system does not always need to be dictating how people at different levels of an organisation organise and implement M&E work, and much can be left to the discretion of staff at different levels.

12. Supporting processes

During workshops, INTRAC has sometimes conducted an exercise in which people are asked to think about their daily lives and discuss under what circumstances they would tell lies – or at least fail to tell the whole truth. Typical examples provided by participants range from minor untruths designed to flatter, reassure or avoid conflict to totally unnecessary levels of details concerning people's private relationships. My own current contribution is that my eight-year old daughter will shortly begin learning to play the violin, and I will probably spend the best part of the next two years telling her how nice her practicing sounds.

There are two main purposes to this exercise. The first is to stress how often people do not feel able or willing to tell the complete truth. When carrying out M&E work there is sometimes an assumption that people will generally tell the truth unless they have a reason not to. This is arguable. If we acknowledge there are many times when we do not tell the full truth in our daily lives then why are we so quick to

accept at face value every piece of information arising from M&E work? An equally valid opinion is that people almost always tailor information according to its audience.

The second purpose of the exercise is to examine the conditions under which people might not be wholly truthful. People are more likely to be dishonest if they do not know (or trust) the person asking them questions; if they think they (or friends or colleagues) will suffer if they tell the truth; if they fear they will embarrass, upset or offend their audience; if they do not know how the information they provide will be used; or even if they don't think anyone is particularly interested in that information.

Within an M&E system, technical areas such as setting objectives and indicators, using tools of information collection, carrying out baseline surveys and producing reports are important. But most M&E systems do not succeed or fail for technical reasons. More important is the underlying ethos and the processes that support the M&E system. These are critical if you want your system to generate the type of honest, high-quality information and analyses which are essential for learning. This means you need to try to create a safe environment in which honest and accurate information can spread freely between interested parties.

Some of the processes required to support an M&E system in this way can be handled at local level. However, a key role for an organisational M&E system is to set the tone for M&E work throughout an organisation by developing an appropriate ethos and culture. There is an argument that, perhaps paradoxically, the ability of an organisation to operate a participatory culture within a formal hierarchy often depends on the strong centralised management of vision and values, because staff at lower levels can then be allowed more scope to make their own independent decisions within a shared framework of ideals and values (see Holcombe 1995). This suggests that a complex organisation can delegate far more decisions to local level, and encourage much greater flexibility within an M&E system, if there is a clear M&E vision, identity and ethos that is successfully translated throughout the organisation.

There are numerous processes that complex organisations can develop or encourage at organisational level in order to try and achieve this. Some of the most common are:

- Initial training or induction always needs to be considered. Some organisations develop M&E training materials that can be used at induction (or later) for new staff entering an organisation. Material can range from formal guides and manuals to interactive media or suggested workshop exercises. The training materials should help staff recognise exactly what is required of them under an organisational M&E system, and provide them with the guidance and support necessary to carry it out.
- People need to be aware of how an organisational M&E system works, and how the M&E information they collect and analyse is likely to be used. Initial training should at least cover an overview of how an organisation's M&E system works between different levels. Where people at different levels are expected to undertake M&E work for centrally-coordinated purposes such as fundraising or marketing then there should be a clear explanation of why an organisation needs this kind of information, and how it will be used.
- If it is to be effective, M&E needs to be non-threatening. If people are judged on the basis of the information they collect, or are penalised for errors or failures, they will quickly become skilled at hiding such information. Organisations need to create conditions to allow different stakeholders to be open and honest when collecting, analysing and reporting on information. A complex organisation might need continually to emphasise how valuable information on errors and failures is for learning purposes in order to reassure people that it is safe to provide such information.
- It is also important to ensure that information flows both to and from the field. Nothing is worse than a system where people collect information at field level and pass it up to higher levels for analysis and decision-making. It is also important that anyone participating within M&E work – whether staff, partners or service users – receives feedback on any analyses or decisions made at higher levels. An organisational M&E system should lead by example by ensuring that feedback is institutionalised. One method, for example, is to ensure there is space for feedback on every single report form and template so that comments and queries can be sent back to those providing the information. At least they will then know their reports have been read.

- People at all levels should be involved in informal review processes. Reviews should be regularly organised at a variety of different levels, and may need to be institutionalised throughout an organisation. Field staff collecting information need to have formal opportunities to review data just as much as regional and country managers.

Whilst these formal processes are important, the effectiveness of any M&E system may ultimately depend on developing an appropriate organisational culture. This culture cannot be developed simply by imposing formal systems and procedures on different stakeholders. A supportive culture can take years to develop, and it will heavily influence organisations' ability to look at their own performances in a self-critical light, and report honestly on errors or failures to other stakeholders – from donors to service users. It is ultimately the responsibility of an organisation's leadership to ensure that this culture is developed. Leadership needs to encourage open, honest information collection and analysis at top levels of an organisation, before this can filter down through to lower levels. The role of the people responsible for designing, maintaining or overseeing a new M&E system may be crucial in this regard.

Example: World Vision's LEAP was designed to realise a vision for a common design, monitoring and evaluation (DME) approach across all of World Vision's work. It stands for learning through evaluation with accountability and planning. It is described by World Vision as a *'living framework for systematic learning that promotes quality, accountability and professionalism in community programming'*. LEAP is based around five key principles. These range from the *'integrity and honesty'* of all staff concerned with programme management to *'respecting the interests of partners and the public'.* These five principles are at the core of all World Vision's M&E work. In turn, the five principles are translated into a set of required standards that outline the expected behaviour of staff at all levels. LEAPs principles and standards represent a strongly worded, centralised set of vision and values for planning, monitoring and evaluation within World Vision. Without buy-in to this vision and values, more formal policies and practices are unlikely to be effective.

Source: World Vision (2007, pp13-14)

13. Practical issues

The last area concerns the various practical issues that might affect how an M&E system is designed, implemented and maintained. These include the personnel, time and financial resources required.

It is sometimes useful to divide M&E work into two areas. Firstly, there are the things an organisation (or part of it) *has* to do. This might include any M&E required for donors or internal accountability. It might also include M&E designed to enable basic project or programme management. These areas are non-negotiable. Therefore, the only decision to make is the level of resources needed in order for the M&E system to be functional.

Secondly, there are the things an organisation *wants* to do. This usually includes any M&E required for learning in order to improve future performance, or accountability downwards to partners and communities. In this case it is important to weigh up the costs and benefits of an M&E system. The costs include the financial costs of developing and maintaining an M&E system, and the time spent by staff on M&E issues. In some circumstances, you might also need to consider the costs in terms of the time and energy required of partners and/or service users. These costs need to be balanced against the likely benefits such as improving performance within existing and future programmes of work, or ensuring that any work carried out is consistent with rights-based principles.

Decisions over resources are usually best made at local levels. However, an organisational M&E system might occasionally have fixed procedures or minimum standards that need to be applied. These can include the following.

- Some organisations set a value on the proportion of country or programme budgets that ought to be spent on M&E. This might apply to all M&E work or it might only apply to major exercises such as baseline studies or evaluations.
- Some organisations set minimum levels for the amount of time staff are expected to spend on M&E work. However, this can be slightly arbitrary as it is difficult to distinguish M&E work from other project or programme management work.
- Some organisations insist that different levels (such as regions, countries or programmes) have a full time M&E officer in place. Others leave this to local decision-making, but insist that at least one named individual is designated as a resource person for M&E at each level. Others leave all decisions to local decision-making.
- Some organisations include M&E work in all job descriptions, or make sure M&E is covered during personal appraisals or formal supervisions.

These decisions can be made centrally, or they can be left to local decision-makers. However, at the very least a complex organisation ought to ensure there is a named individual, group or department responsible for maintaining the organisational M&E system, making adjustments where necessary and ensuring it remains relevant. Otherwise it is likely to rapidly become obsolete, and fall into disuse.

Summary

When I first became involved in developing M&E systems within complex organisations, I was surprised there was not more theoretical guidance available. This paper is an attempt to bridge the gap between the wealth of information and resources available on different aspects of planning, monitoring and evaluation work on the one hand, and the lack of both theoretical and practical information on how M&E systems are developed and used within complex organisations on the other. It outlines one possible methodology that can be used to help develop an organisational M&E system, whilst recognising that there are many different ways of approaching the task.

This paper is essentially about balance. I have argued that a balance needs to be found between imposing common M&E policies, practices and procedures, and leaving flexibility for local-level decision-makers to develop their own policies, practices and procedures in response to their local needs. This balance needs to be considered differently across each area of M&E, and at each level of an organisation's work.

However, I have also argued that a balanced approach needs to be taken between different areas of M&E. Critical to this balance is the development of key focus areas where a complex organisation's M&E system is tied together in order to be coherent. If there are too many key focus areas an organisational M&E system might be inflexible. This will reduce the potential for decision-makers at different levels to arrive at their own solutions to the different challenges they face. If there are no focus areas then an organisational M&E system will lack coherence, and a complex organisation will find it even more difficult to analyse or summarise information across a range of different types of work carried out within different sectors and geographic locations.

In arriving at these decisions, a balance needs to be struck between the M&E needs of head offices or secretariats and the needs of staff working at different levels of an organisation. This means trying to ensure that an organisational M&E system is capable of delivering in key areas such as learning, accountability upwards to donors and providing information for marketing and global campaigns; as well as enabling sufficient flexibility for different levels to use M&E to provide effective performance in areas such as project/programme management, resource allocation, verification and control, and downwards accountability to communities and service users.

Finally, I have argued that there is a need for balance between developing an organisational M&E system in a participatory manner and designing a coherent system that binds together M&E work carried out for varying reasons in many different places. There are always going to be tensions that need to be managed in this area. On the one hand it is essential to know how people use existing systems, to thoroughly understand their needs and requirements, and to ensure there is buy-in to a new or updated

system. On the other hand, an organisational M&E system ultimately needs to be designed by an individual or small core team as an integrated system, or run the risk of losing coherence in trying to be all things to all people. Whilst it might fly in the face of development orthodoxy, the design of M&E systems in complex organisations is an area where a certain amount of top-down planning is needed to balance the kind of bottom-up approaches favoured nowadays by many development agencies.

No organisational M&E system can guarantee good M&E at all levels of an organisation. However, provided all these different balances can be achieved, there is no reason why organisational M&E systems cannot be developed that enable good M&E practices to flourish both within and between different levels of complex organisations.

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Appendix: Grid used during development of WaterAid International PME system

The table below shows a working grid used during the development of WaterAid UK's international PME system. The blank cells indicate where different levels have complete freedom to develop their own solutions in response to their own needs. Entries in bold indicate the key focus areas of WaterAid's international PME system. It is important to note that this grid is used during the design stage only. Once the system has been designed the grid has served its purposes and can be discarded

	Level of operation					
	Global	**Regional**	**Country**	**Programme**	**Project**	**Added-value work**
Planning systems	There is a global strategic plan developed every 5-6 years	Regional strategic plans have to be developed according to standard guidelines	Country strategic plans have to be developed according to standard guidelines	**All programme plans have to be submitted according to a fixed template**	**All project plans must be summarised according to a fixed template**	
Setting objectives	Global aims and objectives are developed during the global strategic plan	Regional objectives are expected to contribute to global objectives	Country objectives are expected to contribute to global objectives	Programme objectives are expected to contribute to country objectives **Programme objectives are set for water, sanitation and hygiene separately, and need to conform to a fixed format**	Project objectives are expected to contribute to programme objectives	Objectives for added-value work are specified in programme plans
Indicators	**WaterAid has a core set of broad global indicators**			**Programme indicators are mapped onto WaterAid's global indicators**	Project indicators are mapped onto programme indicators All projects are expected to record information on beneficiary numbers	
Baseline information						
Tools						
Participation				WaterAid's key principles suggest that WaterAid should seek to engage un- or under-served people in PME processes wherever possible.	WaterAid expects that partners should seek to engage un- or under-served people in PME processes wherever possible.	

Information disciplines	**Major research studies, looking back studies and impact assessments are coordinated centrally to ensure representative coverage of WaterAid's work**		Country programmes have to be evaluated every three-four years, and are also subject to mid-term reviews	All programmes should either have an evaluation or a formal review		
The use and analysis of data						
Reports	An annual report is developed each year	Regions are required to produce annual, six-monthly and quarterly reports	Countries are required to produce annual, six-monthly and quarterly reports	**Annual programme reports are completed according to a fixed template** Six-monthly and quarterly reports are also expected for accountability purposes	**Annual project reports are completed according to a fixed template** Quarterly and six-monthly reports are also expected for accountability purposes	Programmes are expected to report on progress against added-value objectives within each annual programme report
Learning mechanisms						
Data storage				Programme plans and annual reports have to be attached to WaterAid's management information system	Project plans and annual reports have to be attached to WaterAid's management information system	
Supporting processes	WaterAid expects that all regional, country and programme PME systems conform to key stated principles, such as the following. • Staff should be properly trained and inducted • Systems should ensure that information is analysed at all levels, and never just passed upwards to be analysed at higher levels • People submitting information to higher levels are entitled to receive comments and feedback • Efforts should be made to ensure that all stakeholders are aware of how M&E information will be used.					
Practical issues						

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