



Governing Body

309th Session, Geneva, November 2010

GB.309/PFA/5/5

Programme, Financial and Administrative Committee

PFA

FOR DECISION

FIFTH ITEM ON THE AGENDA

Evaluations

Independent external evaluation of the ILO's evaluation function

Overview

Issues covered

This paper presents the findings, conclusions and recommendations made by the independent evaluation of the evaluation function. It also includes the Office's response and plan of action for their implementation.

Policy implications

The Office will prepare a new evaluation policy which will be presented to the Governing Body in March 2011.

Financial implications

Full implementation of the recommendations may have financial implications which are not quantified in this paper.

Decision required

Paragraph 30.

References to other Governing Body documents and ILO instruments

GB.294/PV, GB.294/PFA/8/4, GB.306/PV, GB.306/PFA/13/1

Introduction

1. When the Governing Body adopted the evaluation policy in November 2005, it stipulated that the policy be evaluated after five years.¹ It subsequently decided that there should be an independent external evaluation (IEE) of the evaluation function as a whole.² Associates of International Management Services (AIMS) were selected for this assignment in accordance with the ILO's public procurement procedures.
2. The terms of reference specify that "Based on the United Nations Evaluation Group (UNEG) Norms, a set of criteria clustered around the three issues of independence, credibility and utility should form the normative framework for this evaluation exercise." They further specify that the IEE should cover the period 2005–09, that the principal client is the Governing Body and that other stakeholders include "the ILO Director-General and members of the Senior Management Team, regional directors and ILO donors". The terms of reference state that "The IEE is also expected to provide a basis for improved accountability, learning of lessons, leadership and decision-making in the context of the ILO's continuing commitment to results-based management (RBM)".³
3. AIMS undertook the IEE through a four-stage process. It started by examining the high-level evaluations, independent project evaluations and self-evaluations carried out within the ILO from 2005 to 2009 according to international standards. Interviews and focus groups with representatives of governments, workers, employers, donors and senior management were then conducted during the Governing Body session in March 2010. These were followed by visits to three of the regional offices⁴ and further interviews were held at headquarters in April 2010.
4. The following paragraphs reproduce the findings, conclusions and recommendations of the IEE.⁵ The final section of the paper, including the annexed table, provides the Office response.

Findings

Quality of evaluations

5. Overall, the IEE found that the ILO has made significant improvements to the evaluation function over the past five years and concluded that the evaluation policy itself is sound and needs little modification. The review of evaluations against UNEG and other international standards shows that ILO evaluations meet almost all of the standards.

¹ GB.294/PV, para. 208 and GB.294/PFA/8/4, para. 46.

² GB.306/PV, para. 190(b) and GB.306/PFA/13/1.

³ The full terms of reference are available at:
<http://ilo.org/eval/Evaluationreports/Strategyandpolicyevaluations/lang--en/index.htm>.

⁴ The AIMS consultants visited the Regional Offices for Asia and the Pacific, the Arab States, and Europe and Central Asia; additionally, the fourth region (the Americas) was interviewed via web-conferencing.

⁵ The full IEE report can be found at
<http://ilo.org/eval/Evaluationreports/Strategyandpolicyevaluations/lang--en/index.htm>.

Although there is still room for improvement, overall quality has increased since 2005. The implementation of the policy, however, includes a number of issues that need to be addressed in both structural and strategic terms.

Accountability

6. The accountability objective involves four outcomes: use of evaluations, harmonization of standards, decentralization of the function and independence. Concerning use, the IEE finds that although the high-level evaluations that are presented to the Governing Body are of a generally high quality, their use by the Governing Body is uneven. While some of the strategic and policy evaluations have led to recommendations, the Decent Work Country Programme evaluations, in particular, have not informed higher level decision-making. There is little connection between the high-level evaluations and RBM represented by the Strategic Policy Framework, biennial programme and budgets or programme implementation reports. The fact that evaluation topics are set on a yearly basis has impeded both use and consultation. Independent project evaluations, on the other hand, are used for accountability purposes by donors. The IEE finds that progress is being made in the harmonization of evaluation approaches throughout the ILO and that decentralization is well under way. On independence of the function, while there is no firm evidence that independence has been compromised during the period, the ILO is not in conformity with UN standards in that the Evaluation Unit (EVAL) is located within the Management and Administration Sector. It is the only UN system organization to follow this pattern. The location conveys an impression of lack of independence.

Management

7. The management objective includes outcomes on regular reporting to senior management, follow-up to evaluation findings, and recommendations that address RBM, improved skills in evaluation and self-evaluation, and participatory processes. As with the accountability objective, the IEE finds that use of the evaluations for management purposes is uneven. Management use is most evident at the regional office level for Decent Work Country Programme and independent project evaluations, while at headquarters the International Programme for the Elimination of Child Labour (IPEC) has a strong system for use. Follow-up has also been inconsistent, in part because focus is on the first year's follow-up even though subsequent follow-up can be reported. The Evaluation Advisory Committee (EAC) has been effective in overseeing immediate follow-up. At the project level, IPEC has a clear system for follow-up and EVAL has begun to develop one. However, there is little effective connection between evaluation and RBM within the Office. Self-evaluation at the programme level is not as well developed as would be hoped, although a number of exercises show promise. EVAL has developed strong working relationships with the regional offices. They have also provided considerable guidance in how to do evaluations and have undertaken a quality assurance review. The impact of EVAL's work is reflected in improved adherence to international standards. There have been training initiatives, but the results have been uneven and there is an expressed need for additional training at all levels, including for stakeholders. While there has been an effort to engage stakeholders in a participatory process in evaluations, this has not always been considered satisfactory.

Lessons learned

8. The lessons learned objective has a single outcome: improved institutional learning and knowledge sharing. Significant strides have been made, particularly regarding the latter. This can be attributed to evaluation reports becoming more easily accessible through web-

based means, EVAL's initiation of a process of summarizing lessons learned and, at the regional level, the development of new exchange mechanisms. At the same time, the full potential of institutional learning from the evaluations has not yet been realized.

Conclusions

9. The conclusions of the IEE, as called for in the terms of reference, are organized around issues of policy and governance, independence, use, institutional support and credibility. Overall, the IEE concludes that evaluations did not play a significant role in shaping policies and strategies during 2005–09 within a RBM context. The focus on evaluations of Decent Work Country Programmes and a disconnect between consideration of evaluations in light of strategies on the one hand and budgets on the other seem to be two primary explanations for this. Improvements in the criteria for selecting subjects for high-level evaluations and the development of a multi-year plan for evaluations connected to larger policy reviews would overcome this issue. Ensuring that evaluations are used in the preparation and review of strategies, programmes and budgets would also contribute.
10. While a degree of independence of evaluations has been maintained, this has not been reflected in organizational location, one of the standards used in the UN system, since the ILO is the only organization of the system where the evaluation office is part of management and administration rather than reporting directly to the executive head of the organization. Relocating this office organizationally would bring the ILO into conformity with the system and would facilitate its oversight and coordination role vis-à-vis the other parts of the ILO that are concerned with evaluations, including the Bureau of Programming and Management (PROGRAM), Partnerships and Development Cooperation Department (PARDEV), IPEC and the regional offices. Such a move would also facilitate securing adequate resources for evaluations.
11. Evaluations that are produced by the ILO are of generally high quality, measured by UNEG standards, but they have not been used as much as implied by the 2005 policy. Managers do not yet see them as essential ingredients either in policy formulation and analysis or in strategic planning and performance reporting under RBM. A stronger culture of evaluation within the managing for results orientation of RBM, where measurability of results is a major element, would strengthen RBM mining of evaluation findings and strengthen policy analysis. A more systematic and formal incorporation of evaluation into the RBM process is clearly desirable. Self-evaluations, coupled with strategically chosen high-level evaluations, can enrich the process of reviews of implementation of the ILO Declaration on Social Justice for a Fair Globalization. Progress in making evaluation results more accessible can be built upon by further improvements in electronic data systems, including the internal web-based interface for knowledge sharing (PLONE), the online evaluation database (i-Track), and the Integrated Resource Information System (IRIS).
12. The EAC has taken a narrow view of its mandate relating to follow-up, and does not see it in terms of RBM. Expanding EAC's role to linking evaluations with RBM, as well as making recommendations to the Director-General and to the Governing Body on longer term use of evaluations, would make this body more effective. EVAL, once its location has been improved, can be made more effective by establishing clear operational priorities. EVAL's role could include managing high-level strategic and policy evaluations and overseeing quality of other evaluations undertaken within the ILO, as well as training and information exchange. There is a clear need for additional training in evaluation in the context of RBM. This should be an emerging priority for the International Training Centre (Turin Centre), and be duly supported by EVAL and PROGRAM.

13. The resources available from all sources for evaluation in the ILO are comparable to other UN system organizations, although the regular budget provides less than comparators. Ensuring that resources are adequate can be facilitated by more effective implementation of current policies on setting aside programme support income (PSI) for evaluation.
14. The current evaluation policy, when implemented fully, would ensure higher credibility of ILO evaluations and enable them to make a greater contribution to improving the effectiveness of ILO programmes and projects.

Recommendations

15. *Recommendation 1:* The evaluation policy should be extended for an additional five years with amendments to reflect other recommendations, and at the end of the period, consistent with UN system practice, it should be subject to a further independent external evaluation.
16. *Recommendation 2:* Evaluations to be presented to the Governing Body should be chosen for their strategic use in policy-making, strategy formulation and accountability on the basis of a multi-year plan that could be amended, as necessary, by the Governing Body. It is suggested that: (i) on a five-year planning cycle one evaluation be presented annually with the subject being determined by the International Labour Conference review strategy; (ii) on a two-year planning cycle another evaluation with implications for the next programme and budget planned be presented; and (iii) on an annual basis a third evaluation be presented guided by emergent policy and programme needs.
17. *Recommendation 3:* (i) The evaluation function should be organizationally consolidated in an entity that would report directly to the Director-General and through this position to the Governing Body, with a director appointed according to UN system best practice for heads of evaluation; (ii) there is a need for secure funding, including for the dedicated regional monitoring and evaluation positions, from the assessed budget of the Office and a fixed share of PSI and other extra-budgetary resources.
18. *Recommendation 4:* There should be increased use of self-evaluation at the programme and project level, especially for major policy reviews by the Conference, and for programme implementation reporting. Adoption of agency-wide standards and guidelines, and an oversight process for self-evaluations, should address concerns about quality and legitimacy.
19. *Recommendation 5:* The mandate of the EAC should be clarified to include clear responsibility for: (i) advising on policies for follow-up to ensure appropriate implementation of evaluation recommendations on strategies and policies, in order to achieve a consistent and coordinated approach to evaluation and its use across the Organization within a RBM framework; and (ii) proposing evaluation topics to the Governing Body on a multiple-year basis.
20. *Recommendation 6:* EVAL should be given a revised mandate, reflecting its three principal roles, which give priority to conducting high-level strategic and policy evaluations as part of the policy decision-making process and the implementation of RBM, as well as supporting evaluation activities throughout the Office and providing general oversight of evaluation quality at all levels of the ILO. The specific priorities and emphasis for any given year would be noted in the multi-year plan.
21. *Recommendation 7:* The respective expertise of EVAL, PARDEV and PROGRAM should be more closely coordinated to ensure consistent integration of standardized evaluation and RBM practices in programme implementation.

22. *Recommendation 8:* A comprehensive and adaptable training programme in evaluation in the context of RBM, designed on a multi-year basis and tailored to the specific needs of the ILO, should be implemented in cooperation with the Turin Centre for ILO staff and constituents.
23. *Recommendation 9:* The current functionality of the EVAL should be further developed by improvements to information management and dissemination systems to increase usability, including a substantial overhaul and expansion of i-Track, as well as by the dedication of sustained resources for database management.
24. *Recommendation 10:* There should be increased use of ex-post evaluations to assess the longer term impact of ILO programmes and projects, and several should be implemented on a pilot basis in priority areas during the 2010–15 period.

Office response

25. The Office welcomes the findings, conclusions and recommendations of the IEE. They provide a balanced mix of useful insights on how the evaluation policy and strategy is working and identify a number of areas for improvement. The findings show that the quality and consistency of high-level evaluations have improved steadily since 2005 and compare favourably with international standards for such evaluations. The Office's guidance and technical support for evaluation were also found to be of a high standard.
26. The Office appreciates the recommendations of the IEE team that point to ways of improving the evaluation function, and has developed a plan of action for their implementation. The attached table provides details on specific actions to be taken by the Office and the estimated timelines for their completion.
27. The Office is committed to reinforcing an evaluation culture, where evaluation results can inform decision-making at management and governance levels. In response to recommendations 1 and 6, the Office will introduce a multi-year evaluation planning cycle as part of the paper outlining a new evaluation strategy to be submitted to the Governing Body in March 2011, which will propose updates to its policy. Regarding recommendation 2, the Office agrees with the need to choose evaluation topics based on strategic use, and will identify in advance their links to key decisions and processes. For 2011, widespread consultations have already taken place on the topics proposed to establish their potential use in decision-making.
28. With regard to recommendation 3, the Office reconfirms its strong commitment to maintaining the independence of the evaluation function. This independence is achieved through the established policy, processes and procedures that are in place. These include the selection by the Governing Body of the independent thematic and country programme evaluations; the presentation of an annual report to the Governing Body, the selection by EVAL of the independent evaluators and the submission of evaluation reports to the Director-General. The terms of reference and role of the EAC will be strengthened to reflect the recommendations of the IEE which will further reinforce the independence of the evaluation function. Since the IEE report makes it clear that the evaluations produced by the ILO are of high quality and has found no evidence that independence has been compromised during the period under review, the reporting line of EVAL has not been a determinant factor in its independence. Indeed, its current location in the Management and Administration Sector is essential to ensuring collaboration between the programming function and the evaluation function for capacity building within the context of RBM, which is one of the main underlying themes of the IEE report. In the light of the finding of the IEE, the current reporting arrangements will continue as they safeguard the

independence of the function while ensuring internal organizational coherence, efficiency and close collaboration between the programming and evaluation functions. In relation to the recommendation on the appointment of the Chief of the Evaluation Unit, it should be noted that this appointment is made in accordance with the recruitment procedures set down in the ILO's Staff Regulations which govern such appointments.

29. With regard to recommendations 4 and 10, the ILO has already taken steps to see that project-level self-evaluation is carried out systematically and leads to benefits from improved quality and oversight, and that ex-post evaluation is more regularly integrated into the ILO's evaluation planning, in line with availability of resources. Regarding recommendation 5, the Office will review the scope of work for the EAC, noting that although it is instrumental in ensuring the effective use of evaluations by the Office, it is not a decision-making body.

30. *The Committee may wish to recommend to the Governing Body that it request the Director-General to take into consideration the above findings and recommendations for continued strengthening of the ILO's evaluation function.*

Geneva, 7 October 2010

Point for decision: Paragraph 30

Appendix

Recommendation	Action by	Action to be taken	Timeframe
<p>Recommendation 1: The evaluation policy should be extended for an additional five years with amendments to reflect other recommendations, and at the end of the period, consistent with UN system practice, it should be subject to a further independent external evaluation.</p>	EAC and EVAL	The Office will prepare a new evaluation policy which will be presented to the Governing Body in March 2011.	March 2011
<p>Recommendation 2: Evaluations to be presented to the Governing Body should be chosen for their strategic use in policy-making, strategy formulation and accountability on the basis of a multi-year plan that could be amended, as necessary, by the Governing Body. It is suggested that: (i) on a five-year planning cycle one evaluation be presented annually with the subject being determined by the Conference review strategy; (ii) on a two-year planning cycle another evaluation with implications for the next programme and budget planned be presented; and (iii) on an annual basis a third evaluation be presented guided by emergent policy and programme needs.</p>	EAC and EVAL	A multi-year rolling workplan for high-level evaluations will be presented to the Governing Body in March 2011.	Annually
<p>Recommendation 3:</p> <p>(i) The evaluation function should be organizationally consolidated into an entity that would report directly to the Director-General and through this position to the Governing Body, with a director appointed according to UN system best practice for heads of evaluation.</p> <p>(ii) There is a need for secure funding, including for the dedicated regional monitoring and evaluation positions, from the assessed budget of the Office and a fixed share of PSI and other extra-budgetary resources.</p>	Director-General	<p>(i) In the light of the findings of the IEE that there has not been a problem with the independence of the evaluation function, the current reporting arrangements will continue. The appointment of the Chief of the Evaluation Unit is made in accordance with the recruitment procedures set down in the ILO's Staff Regulations which govern such appointments.</p> <p>(ii) Priorities for resources will be considered in the context of programme and budget decisions by the Governing Body.</p>	March 2011
<p>Recommendation 4: There should be increased use of self-evaluation at the programme and project level especially for major policy reviews by the Conference, and for programme implementation reporting. Adoption of agency-wide standards and guidelines, and an oversight process for self-evaluations, should address concerns about quality and legitimacy.</p>	EVAL and PROGRAM	The Office will review current guidelines and practices related to self-evaluations to streamline requirements and strengthen quality through better oversight.	March 2011

Recommendation	Action by	Action to be taken	Timeframe
Recommendation 5: The mandate of the EAC should be clarified to include clear responsibility for: (i) advising on policies for follow-up to ensure appropriate implementation of evaluation recommendations on strategies and policies, in order to achieve a consistent and coordinated approach to evaluation and its use across the Organization within an RBM framework; and (ii) proposing evaluation topics to the Governing Body on a multiple-year basis.	EAC	The scope of work and responsibilities of the EAC will be extended to include these two areas.	December 2010
Recommendation 6: EVAL should be given a revised mandate, reflecting its three principal roles, that give priority to conducting high-level strategic and policy evaluations as part of the policy decision-making process and the implementation of RBM, as well as supporting evaluation activities throughout the Office and providing general oversight of evaluation quality at all levels of the ILO. The specific priorities and emphasis for any given year would be noted in the multi-year plan.	EVAL and EAC	The evaluation programme of work will have greater focus on high-level evaluations through a multi-year workplan. Decentralized evaluation activities will continue to be strengthened through the ILO evaluation network.	December 2011
Recommendation 7: The respective expertise of EVAL, PARDEV and PROGRAM should be more closely coordinated to ensure consistent integration of standardized evaluation and RBM practices in programme implementation.	EVAL, PROGRAM and PARDEV	The Office will revise its procedures for evaluation to reflect the new evaluation policy. There will be closer collaboration among the different departments supporting RBM.	April 2011 (collaboration ongoing activity)
Recommendation 8: A comprehensive and adaptable training programme in evaluation in the context of RBM, designed on a multi-year basis and tailored to the specific needs of the ILO, should be implemented in cooperation with the Turin Centre for staff and constituents.	EVAL, HRD, PROGRAM, PARDEV, SECTORS, regions and Turin Centre (ongoing practice)	The Office is taking steps to strengthen training programmes on evaluation through better collaboration across departments. New training programmes will be considered in the context of staff development.	December 2010
Recommendation 9: The current functionality of EVAL should be further developed by improvements to information management and dissemination systems to increase usability, including a substantial overhaul and expansion of i-Track, as well as by the dedication of sustained resources for database management.	EVAL and ITCOM	EVAL will take steps to upgrade the functionality of the i-Track database and management reports. This will be an integral part of enhanced knowledge management in the ILO.	2011–12
Recommendation 10: There should be increased use of ex-post evaluations to assess the longer term impact of ILO programmes and projects, and several should be implemented on a pilot basis in priority areas during the 2010–15 period.	Technical sectors and regions	A limited number of ex-post evaluations are being conducted. New priority areas will be piloted.	2011 (ongoing)

