**Participatory monitoring and evaluation systems**

**strengthening government planning and budgeting by results**

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**Introduction**

During the last decade, results-based management has become the vision for many governments in developing countries. Shifting the emphasis from processes to results should in turn make policies more responsive to citizens’ demands and facilitate the tracking of outcomes. Almost ten years ago, a need to focus on outcomes was widely recognized. As stated by a World Bank report, “The clamor for greater government effectiveness has reached crisis proportions in many developing countries where the state has failed to deliver even such fundamental public goods as property rights, roads, and basic health and education” (World Bank 1997: 2).

This paper states that social accountability mechanisms – especially participatory monitoring and evaluation systems (PM&E) – can help governments better manage by results by complementing the work of traditional monitoring and evaluation bodies. PM&E provides a good basis for broader social accountability practices and can induce public agencies to become more accountable. This paper argues that social accountability practices can be effective primarily in cases where horizontal accountability mechanisms are in place.

The paper is structured in three main sections. The first section focuses on the relationship between participation and results-based management and makes the case for an increasingly active role of citizens as effective partners of government officials when managing by results. The second section presents a number of international experiences that illustrate the type of schemes that – with more or less success – have taken place in Latin America and other regions of the world during the last decade. Finally, the third section introduces a number of lessons learned and challenges that need to be faced in order to foster this agenda in the years to come.

**Results-Based Management and Participatory Mechanisms**

Adopting a results-based management approach requires a number of transformations in the capacity of government actors and their behaviors, how organizations are structured, and the way incentives are designed. This results in a radical shift in focus including the necessary definition of outputs and outcomes and their translation into objectives and goals, the establishment of performance indicators for monitoring progress and evaluate results – including financial information, the architecture of the institutional mechanisms for the implementation of monitoring and evaluation schemes, the capacity building of relevant actors, and the integration of diverse sources of information for the well-functioning of the system.

During the last decade, participatory mechanisms have been operating in the context of each of the different aspects of results-based management described above. There is increasing evidence supporting the value added of taking a partnership approach to evaluation. In Evaluation and Development, Liebenthal, Feinstein, and Ingram present evidence about the increasing number of

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1 Multilateral organizations are now supporting results-based management initiatives in a variety of countries. The CLAD itself has defined this as a key topic of its agenda, reflecting the importance of this topic for the international community.
partnerships established between a number of international and national actors to implement evaluation mechanisms. They also recognize the value added of these partnerships in producing good-quality and sustainable evaluation schemes (2004).

Based on the above, this section focuses on the potential implementation of participatory mechanisms and the value added that they can provide for better managing by results.

**Focusing on Outcomes**

Rather than focusing on processes, managing by results requires a strong emphasis on outcomes and the necessary outputs to achieve them. For this, a clear vision needs to be established and objectives and goals need to be defined with precision. For this approach to work, agencies need to create ownership among a wide variety of stakeholders, both internal and external. Services can be better designed and delivered when taking into account the opinions of potential beneficiaries and users. In this context, the use of effective participatory mechanisms becomes highly relevant.

There is a rich international experience in promoting participation in strategic planning exercises. In a variety of cases, citizens have been taking an active role in formulating new public policies and participated in helping define policy priorities and the content of concrete public interventions. However, this participation does not automatically translate into a results-based approach – unless outcomes can be transformed into goals and outputs into objectives. This, in itself, constitutes a process for which capacity needs to be built in all actors – both within and outside the government sphere.

**Defining Performance Indicators**

Managing by results can only be achieved if a “planning by results” approach is in place. For this, in addition to defining outcomes and outputs the definition of performance indicators is critical. This will not only help orient activities to the achievement of a concrete set of goals but also will allow for the monitoring and evaluation of key aspects of the program. As stated by Kusek and Rist, “Outcome indicators help answer two fundamental questions: ‘How will we know success or achievement when we see it? Are we moving toward achieving our desired outcomes?’” (2004: 65). In other words, if defining outcomes is key in establishing the best route to get where we want to go, having a good system of performance indicators provide us with the compass to navigate that route.

Citizens in general and beneficiaries of programs and users of services can play a fundamental role in defining these indicators. They are well positioned to identify a set of quality criteria – or the key elements value in a particular service – based on which performance indicators can be defined. For example, users of domestic water services know what quality of water they expect, the frequency of the service, and how much are they willing to pay for it. Parents can play an important role when defining what contents they expect their children to learn at school. These preferences can help public officials be more responsive to citizen demands and needs when defining public policies and planning services.

In addition, an increasing number of civil society organizations with strong technical capacity in different policy areas exist. These organizations have the necessary expertise to help define performance indicators and monitor progress in an independent way. The increasing use of citizen report cards and social observatories in a variety of countries and policy areas illustrate this phenomenon.

**Building the Necessary Institutional Architecture**

Shifting the focus from processes to results also requires building a new architecture for public organizations. This includes changing a number of administrative procedures, the alignment of the
incentives system – both within the organization and in its interaction with other government actors, the re-mapping of areas and structures, and the promotion of a different type of organizational culture. These are not easy tasks and require a fundamental reorganization of the state apparatus.

Building the appropriate institutional architecture is also fundamental when planning integrated monitoring and evaluation systems. Who “owns” the system? Who reports to whom within the public sector apparatus? Who is the owner of the different pieces of information? What is the best information flow to have reliable and timely data? Will the information collected by individual agencies be public? These are just some of the questions that designers of these systems constantly face and no universal answers to these questions exist. As stated by Rossi and Freeman, “The diversity of the evaluation field is also manifest in the variety of settings and bureaucratic structures in which evaluators work” (1993: 438).

Traditionally, civil society actors have little influence in helping the state reorganize itself. Most state modernization programs do not include the participation of citizens or users of public services. However, recognizing the existence of an external client can help government officials transform their organizations – perceived many times as bureaucratic and obsolete – into service provision entities that seek client satisfaction.

In addition, civil society organizations and individuals can provide a value added when defining institutional arrangements for successful partnerships for the different phases of results-based management. How citizens and communities will be involved when defining policy priorities? Will their participation be binding in any way? How participants be selected? Will civil society actors have access to all information generated by monitoring and evaluation systems? How will the government monitoring and evaluation system take into consideration the information produced and indicators tracked at the local level by community actors? These types of questions are just examples to emphasize the need to look at the broader pictures when defining the necessary institutional architecture – going beyond government actors and procedures.

**Capacity Building of Relevant Actors**

In addition to the necessary institutional architecture, managing by results also requires a strong capacity and expertise by those who are going to manage the different aspects of the system. Moreover, because public agencies cannot shut their doors while their human resources get trained in the use of these new methodologies, capacity building activities and the implementation of new systems needs to be done “while flying the airplane.” This points out to the need of putting together on-the-job training type of programs. Moreover, when it comes to concrete monitoring and evaluation practices, having a strong and skillful team is a priority. As reported by Baker, “A range of skills is needed in evaluation work. The quality and eventual utility of the impact evaluation can be greatly enhanced with coordination between team members and policy makers from the outset” (2000: 25).

While this approach is relatively new for many government officials, many civil society actors manage their organizations based on results. International foundations and increasingly, local civil society organizations plan, monitor, and evaluate their activities with a strong focus on outcomes. In addition, a good number of universities and think tanks have the necessary expertise to contribute to capacity building activities of both public and civil society actors, providing them with concrete and useful management tools.

**Integrating Information**

Perhaps one of the most critical aspects of results-based management programs is the good production
and use of information. Information is vital for the planning, monitoring, and evaluation stages. There are a number of “locus” of information for a given policy area. And there are at least as many “owners” of information as locus exist. Therefore, dealing with information systems involves two different dimensions. Designing right channels of information and adequate information flows is just one part of the picture. Dealing with the political economy of information management is the second part – which although less complex technically, presents huge challenges in terms of managing power distribution and politics. As stated by Rossi and Freeman, “In undertaking their work, evaluators usually find themselves confronted by individuals and groups who hold competing and sometimes combative views on the appropriateness of either the program or its evaluation, and whose interest will be affected by the outcome” (1993: 110).

Information for the establishment and operation of effective results-based management systems exist in a variety of places. First, a good portion of information exists within the government reach – although many times distributed among a number of different actors with diverse and sometimes conflicting interests. Second, information also lies in the hands of “academic type” of actors, such as universities and think tanks. Third, civil society organizations – and especially interest groups such as trade unions and private sector associations produce their own pieces of information. Fourth, international organizations such as the World Bank, the IDB, the OECD and others systematically produce different pieces of information about the different aspects of the countries in which they operate. Finally, citizens themselves – based on their own experience – possess a knowledge that can rarely be replaced by the previously mentioned entities.

The existence of so many different sources of information provides an opportunity for enriching results-based management systems in general, and monitoring and evaluation mechanisms in particular. However, integrating all these different sources can be challenging and frustrating, since different actors have different agendas, strengths and weaknesses. For example, while government actors may have access to a rich volume of information, many times the public does not “fully believe” official reports. On the other hand, civil society actors may have larger public credibility but face capacity, scale, and sustainability problems. Universities and think tanks have the capacity to produce reliable information but often lack the necessary institutional links with the state apparatus, so their information can be used. Finally, interest groups may have the necessary resources to produce relevant information but they are often driven by their own political agendas.

Participatory Monitoring and Evaluation Mechanisms: Recent Experiences

As stated above, management by results would be an impossible task without the existing of monitoring and evaluation mechanisms. It was also stated that participation can increase the effectiveness of results-based management in its different phases. This section provides presents concrete examples of participation schemes and their value added to the broader public management agenda.

Throughout the last decade, participatory monitoring and evaluation (PM&E) started to be taken as an important building block of a broader governance agenda. An important number of participatory mechanisms arose in Latin America and other regions of the world. This agenda is now supported by a number of international donors, multilateral organizations, and local advocacy groups. The most common mechanism in place aim to (i) evaluate quality of public services, (ii) define policy priorities,

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2 See for example the World Bank’s strategy for its work with civil society, “Inclusive Governance: Empowering the Poor and Promoting Accountability in Latin America and the Caribbean.”
(iii) analyze budget information, and (iv) oversee the use of public resources.

First, regarding the participatory evaluation of quality of public services, increased attention has been given to citizens in monitoring and evaluating public services around the world. In Peru, India, and the Philippines, users of public services – especially the poor – evaluate the quality of services provided by the government through mechanisms of citizen report cards. In Malawi, communities get together at the local level with service providers and national authorities to judge and improve the quality of services provided to their communities through the implementation of community scorecards. In Ghana, community actors actively participated in the review of the water and sanitation sector performance. As Feinstein (2001: 143) points out, involving the poor in participatory evaluations give the poor and excluded the necessary voice to reorient public policies and services. From the government side, citizen charters in Argentina – implemented since 2000 – are new ways to make public officials commit to the achievement of set of goals.

Second, more and more citizens’ voices are heard when defining policy priorities and budget allocations. In Brazil, while more than 120 municipalities involve their citizens through participatory budgeting processes, the Federal Government established a new national council for economic and social development with the participation of almost 90 representatives from civil society to provide advice to the President on key policy reforms. With the enactment of new laws in 2003, Peruvians are now participating in the definition of budget at the local, regional and national levels. In Mexico, citizens participate in various sectoral councils at the local level to provide input on health and education services, as well as, in making decisions on investment operations. Finally, in accordance with the popular participation law, Bolivia’s 314 municipalities are required to include their citizens when defining annual priorities and development plans. These experiences are also reflected in the rich experience of participatory budgets in the Alcaldia del Municipio Autonomo del Caroni, Estado de Bolivar, Venezuela. As reported in The Role of Civil Society in Assessing Public Sector Performance in Ghana, “In Malaysia, the Sustainable Penang Initiative allowed community members to share their views on desirable objectives for the state government on its actual performance (The World Bank, 2000: 5).

In over 20 highly indebted poor countries citizens are actively participating in the definition of national poverty reduction strategies. Participating in an international initiative for debt relieve, over two dozen countries around the world – 4 of them in Latin America and the Caribbean - have open channels for citizen participation in the form of national dialogues and regional fora. Since 2000, thousands of citizens, with strong emphasis on poor populations – are actively participating in the definition of national plans. These long-term strategies are periodically revisited and have become the focus of the international donor community when defining support programs. Nowadays, based on these positive experiences, other countries are implementing similar processes.

Third, regarding the analysis of budget information, increasing levels of access to financial information allowed for the independent analysis of national and subnational budgets. In Peru, the Ventana Amigable – an internet-based mechanism that reflects in a user-friendly way the information contained in the integrated system of financial information (SIAF) – provides the necessary information for civil society organizations that analyze the national budget and its implications for poverty reduction. Independent budget analysis exercises are also conducted regularly in South Africa, Mexico, and Argentina. In Uganda, civil society organizations put together a set of surveys for monitoring

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3 Bolivia, Guyana, Honduras, and Nicaragua.
4 Guatemala, Peru, Dominican Republic, and some states in North-East Brazil are examples of this.
government spending and whether it reached communities for which it was intended. In South Africa, IDASA – and independent civil society organization – has developed an interesting methodology to analyze public budgets and their impacts on poor and vulnerable groups throughout the country.

Finally, in addition to having increasing access to financial information regarding budgets at the national and subnational levels, citizens and civil society organizations are increasingly involved in overseeing the actual use of public resources. In Bolivia, Comites de Vigilancia (oversight committees) have been established in its 314 municipalities to monitor the use of public funds. Also in Bolivia, national and regional social control mechanisms monitor the use of poverty alleviation funds. In Uganda, community organizations implement public expenditure tracking systems to make sure that public resources for education reach the local level. Finally, governments and civil society organizations in Argentina, Brazil, Chile, and Colombia, make financial information public – especially regarding public transactions – on real time through internet-based mechanisms5. This is also reflected in the experience of Campo Elias (Venezuela), documented by Gonzalez de Asis (2000), in which citizens took a central role in monitoring and evaluating the implementation of policies by their local government, which in turn resulted in higher levels of access to information, increased government effectiveness and efficiency, reduction of corruption, and increased access to public services.

Fostering Participatory Monitoring and Evaluation for Strengthening Government Planning and Budgeting: A Challenging Agenda

Participation and social accountability mechanisms cannot replace the role of public sector agencies democratically created to hold public officials accountable and monitor and evaluate results of public interventions. However, participation and social accountability mechanisms – and PM&E in particular – can be effective vehicles to strengthen and support the work that public agencies do. Strong states require strong civil society actors (Salamon, 1989). As discussed above, civil society organizations and citizens themselves can contribute to the success of public policies by participating in the different stages of the policy process – from formulation to evaluation. They can also contribute to enhance the accountability framework by closely monitoring the use of resources and the achievement – or lack of achievement – of goals. Finally, by scrutinizing the work of public agencies, civil society actors and active citizens provide incentives for increased levels of responsiveness by public officials.

PM&E mechanisms can also be constructive ways of strengthening the role of formal control agencies, both from the executive and legislative branches of power. By providing formal control mechanisms with reliable and timely information about the performance of public programs, PM&E mechanisms enhance the work of these agencies and open the possibility of taking corrective measures for the improvement of public interventions – which civil society organization cannot do by themselves. Thus, horizontal and vertical accountability mechanisms can complement each other in favor of strengthening good governance in society (O’Donnell, 1998). This type of partnership requires high levels of trust and coordination and so far, there are not many successful examples in this front.

Despite all the potential benefits described above, planning and implementing successful PM&E schemes is a difficult task that embodies a risks and obstacles. This section introduces a number of lessons learned over the last decade, which may contribute to the successful implementation of these types of mechanisms.

Taking an incremental approach may slow down the process but provide better chances for long-term

**sustainability.** Results-based management models cannot be implemented overnight. Monitoring and evaluation mechanisms – a fundamental part of this agenda – require a number of institutional changes that take time. When adding external actors to the picture – in order to put together PM&E mechanisms, it gets even more complicated. An important part of implementing integrative PM&E mechanisms lies in a trial-and-error type approach. Successful experiences started with small and concrete steps on which other parts of the system can be built over time.

*Relaying on pilots can help the learning-by-doing agenda, but can limit the scaling up of the experiences.* Pilots are built for learning and should be understood in that way. Pilots on PM&E systems rarely translate into permanent programs. International donors and multilateral organizations may share part of the blame, but the fact is that many pilot interventions are never scaled up. One way for dealing with this risk is having a well-thought program from the outset – that may be adjusted over time – indicating clear goals and defining different phases for the implementation of the mechanism. It may start with a pilot phase and involve other pilots during its implementation, but it requires the definition of scaling up activities as well.

*Assessing the existing mechanisms enhances the chances of success.* All countries have some sort of monitoring and evaluation systems – even if management by results does not exist. These systems may be weak and deficient, but may be a good starting point for building stronger ones. This points out at the possibility of start working with civil society actors – even if the state apparatus does not have strong M&E mechanisms in place. Likewise, assessing the capacity of civil society for successfully engage in these types of actions is a necessary step before planning concrete mechanisms.

*Understanding the enabling environment for PM&E is critical.* In addition to assessing the capacity of civil society actors, there are a number of elements that may hamper or promote the successful implementation of PM&E mechanisms. The existence of an adequate legal framework for participation including a freedom of information act (FOIA), the flowing of resources to support this type of activities, the implementation of open and friendly financial information systems (SIAFs), and the existence of previous experience upon which new ones could be built are examples of these elements. The absence of these elements prevents the implementation of PM&E mechanisms but presents important challenges that need to be taken into consideration.

*Establishing successful participatory monitoring and evaluation mechanisms require participatory planning.* Simplifying the cycle of public policy one could think of 4 different stages: planning, implementation, monitoring, and evaluation. Thinking of PM&E mechanisms without thinking about the other stages of the cycle may be limited when trying to make them work. Citizens and civil society organizations are better equipped to help monitor and evaluate policies in which they have been involved from the beginning. In fact, a good monitoring system starts with the definition of outcomes and performance indicators. Therefore, in addition of promoting ownership over the whole process, involving civil society actors from the outset embodies concrete technical advantages.

*Finding a balance between autonomy and sustainability is difficult but necessary.* Civil society actors require a minimum level of autonomy from the state apparatus to successfully engage in PM&E activities. However, in order to make PM&E experiences sustainable many times funding comes from government actors. This posts a number of challenges in terms of objectivity, ownership over information, and levels of flexibility over the institutional arrangements. Many experiences in Latin America ended up “co-opted” by the state or discontinued for lack of financial support. Successful experiences like the Citizen Report Cards of Bangalore, India (ran by the Center of Public Affairs) provide good lessons in this regard.
Putting together capacity building programs is a must. As with any other innovation, putting together PM&E mechanisms and ensuring that they contribute to strengthening the results-based management agenda requires expertise and capacity in a variety of actors. Capacity building programs for government officials and civil society actors may take time and effort but are a necessary condition for the success of these mechanisms.

Building political commitment for this agenda is necessary. As stated in previous sections, putting PM&E mechanisms in place affects the distribution of power and may create a number of focus of resistance. Having the political commitment at the highest level in the country is a necessary condition for the implementation of this agenda. When commitment is low, it can be built through a constituency building process.

Establishing PM&E mechanisms does not ensure the full implementation of successful results-based management models. Monitoring and evaluating outcomes are fundamental activities of any results-based management model. Incorporating participation into these activities can in turn enrich their chances of success. However, implementing PM&E mechanisms by themselves will not guarantee a successful management by results. For this, other elements need to be taken into consideration, like the linkage between outcomes and budget allocations, the deployment and alignment of a system of incentives conducive to better performances, and the institutionalization of processes within the public administration – among others.

Finally, since these mechanisms do not take place in a vacuum, it is important to recognize country specifics. PM&E mechanisms transform power relationships and require the transformation of the culture of both the public administration and civil society. In this sense, the design and implementation of concrete PM&E experiences need to be thought in the context of specific national realities. This in turn, may be a powerful tool for strengthening democratic governance schemes in our countries.

Bibliography


Reseña Biográfica

Egresado de la Johns Hopkins University, Roby Senderowitsch se desempeña actualmente como Especialista Senior en Desarrollo Institucional en el Banco Mundial. En esta actividad ha tenido la oportunidad de trabajar a lo largo y ancho de America Latina promoviendo la agenda de buen gobierno a partir de la participación de la sociedad civil y la gestión del cambio organizacional.

Además ha sido representante del American Jewish Joint Distribution Comité – una organización sin fines lucrativos – en Cuba y en Argentina se ha desempeñado como profesor titular en gestión de recursos humanos en entidades sin fines de lucro, director de programas educativos y de desarrollo comunitario y en la gestión de recursos humanos en el sector privado.

En el plano académico cuenta con una licenciatura en Ciencias de la Educación de la Universidad de Buenos Aires además de una serie de cursos de postgrado en Harvard y Stanford. Además, Senderowitsch ha sido profesor visitante en la Universidad Federal da Bahía, Brasil, la Universidad de Trento, Italia, y la University of Arkansas, EEUU.

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