ANALYSIS OF THE EVALUATION FUNCTION IN THE UNITED NATIONS SYSTEM

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EXECUTIVE SUMMARY
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In the current context of resource constraints and national and global challenges that require new approaches in development and humanitarian assistance, United Nations system organizations are increasingly faced with the need to account for the use of resources and demonstrate results and the added value of their work. They are operating in an environment that calls for impartial, valid and credible evidence on the relevance, added value, effectiveness, efficiency, impact and sustainability of their policies, programmes and activities. In such an environment the evaluation function provides a platform for organizations to respond to these demands across the system.

Evaluation is one of the main instruments that support the United Nations system in addressing accountability for results and added value, for learning and knowledge development, strengthening its leadership role in global governance, and instituting reforms that influence the lives of people worldwide. Thus the continuous development of the evaluation function is critical to the United Nations system’s ability to achieve its objectives, to account for success, and bring about necessary changes to improve international development and governance.

The present report contains the results of a Joint Inspection Unit (JIU) system-wide study of the evolution, development and advancement of the evaluation function in the United Nations system conducted in 2013. The study addressed the following questions: Has there been progression in the growth and development of the evaluation function in the United Nations system? What is the level of development of the evaluation function? What is its capacity to support United Nations system organizations and its response to demands, changes and challenges? How has it added value? What alternative approaches exist for an effective evaluation function that serves the United Nations system in the current context?

The study sought to contribute to on-going efforts across the system, directed at strengthening the capacity of the evaluation function to meet professional standards, address emerging challenges and play a role in enhancing the value of the United Nations system. The focus is on the central evaluation function, which generally supports overall corporate-level policy and strategic decision-making. The study also provides a rapid review of the decentralized evaluation function, which operates outside the central evaluation unit and is generally embedded in programme and operational units throughout the United Nations system supporting line management decision-making.

The study covered the evaluation function of 28 United Nations system organizations involved in development, humanitarian and normative work worldwide: that of 12 funds or programmes, 12 specialized agencies, 3 other United Nations entities and the central evaluation function of the United Nations Secretariat. It did not, however, include the embedded evaluation functions of the United Nations Secretariat departments or the regional commissions as they had already been addressed in a recent evaluation study conducted by the United Nations Secretariat itself.

The report provides nine recommendations: seven to executive heads of United Nations
system organizations and two to United Nations system legislative bodies.

The following is a summary of the main conclusions and the supporting findings and key issues addressed in the report.

A. Central evaluation function

1. *The central evaluation function has grown through the years, striving for quality and efficiency, but the level of commitment to evaluation across the United Nations system is not commensurate with the growing demand for and importance of the function.*

Assessed over a 36-year time span (1977–2013), the central evaluation function of United Nations system organizations has changed with regard to roles, structure, systems and standards. It has moved from a predominant role of oversight over and quality assurance of decentralized evaluations to focusing on supporting broad and strategic corporate-level decision-making. The emerging global challenges faced by the United Nations system call for greater involvement of the central evaluation function in cross-cutting and multi-sectoral types of evaluation that provide more integrated and holistic solutions for the system.

Organizations have remained pragmatic and cost-conscious in developing their evaluation functions. That applies both to the positioning of the function in the organizational structure and to the business models developed to enhance the efficiency and quality of evaluation reports. It is evident, however, that the level of resources allocated to the central evaluation function has not changed significantly over the years in ways that are commensurate with demand.

The initial creation and development of the central evaluation function was influenced by several JIU reports on organizational management, administration and governance. General Assembly resolutions have highlighted the importance of the evaluation function and the expanded role it could play as an instrument of accountability and learning. The United Nations Evaluation Group (UNEG) has also played a significant and highly visible role over the past eight years in enhancing the professional development of the function and the harmonization of evaluation methodologies, thus providing an effective platform for the advancement of the function.

2. *The quality of evaluation systems, mechanisms, processes and outputs varies across the United Nations system. Organizations can be categorized into four clusters according to the level of development of their respective evaluation functions. In most cases, the level of development is affected by the size of the organization, the resources allocated to evaluation, and the structural location of the function.*

This JIU system-wide study assessed the status of development of evaluation in 28 organizations by analysing five core components that define an effective evaluation function: (a) the adequacy of the enabling environment; (b) independence, with inclusion and impartiality to enhance credibility; (c) quality, to enhance credibility; (d) the utility of the function focused on the use of evaluation findings and recommendations; and (e) relevance and adaptability to address organizational demands, and readiness to respond to
change and challenges.

Based on the analysis of the level of maturity of their central evaluation function, organizations are categorized into four clusters: nine organizations are considered high performers, six organizations average, and nine below average, while four are rudimentary and have no defined evaluation function. These levels of maturity were determined based on a systematic and standardized assessment using a benchmarking framework (i.e., the JIU maturity matrix for the central evaluation function). The framework has 66 performance indicators benchmarked against a combination of inputs including UNEG norms and standards, JIU parameters from previous reports, and inputs from other international development actors assessing organizational effectiveness.

Most large and medium-sized organizations are assessed as having a higher level of development of their evaluation functions than small organizations. Organizations in which the function is stand-alone are ranked higher than organizations in which the central function is co-located, meaning that the evaluation function is either within the oversight offices concerned with evaluation, audit, inspection and investigation, or within executive management offices concerned with policy, strategic planning and research. Organizations with a predominantly normative mandate perform less well than organizations with a predominantly developmental focus. There are exceptions to the above suggesting that an agency can overcome organizational obstacles when there is the will and determination to develop a high-quality evaluation function.

There are four organizations that do not have a central evaluation function for reasons that have not been fully justified. Two of those organizations have initiated the process of developing an evaluation policy or have begun consultations to develop a fully-fledged central evaluation function.

On the basis of analysis of the five core components of the evaluation function, the following conclusions have been drawn from across the 24 United Nations system organizations that have central evaluation functions. The variations that exist among organizations must be borne in mind when considering the cross-cutting conclusions.

**Enabling environment**

3. *In developing their evaluation functions, organizations have focused on responding to demands for accountability and have not fully addressed other important elements, such as developing a culture of evaluation and using evaluation as a learning instrument for the organization. That limits the sustainability of the function and the added value of evaluation. Absent from the institutional framework is an overarching vision and strategy for evaluation that is anchored in the organization’s mandate, corporate goals and reform agendas, thereby resulting in a balanced approach to the development of the function.*

Member States and legislative bodies have played a significant role in calling for the establishment of evaluation functions, ensuring compliance with policy implementation, and requiring policy updates. The main focus of Member States has been on accountability for resources and results. Organizations have been responsive to those demands, but they have not placed equal emphasis on the development of the learning
function and a culture of evaluation. They have not made evaluation an integral part of the fabric of the organization or acknowledged its strategic role in going beyond results or performance reporting. An imbalance between the accountability and learning goals of evaluation does not enhance the added value and sustainability of the evaluation function, particularly in the current fast-changing global environment in which the flow of knowledge is moving rapidly across boundaries, requiring dedicated and nimble knowledge workers with critical and divergent thinking capacities.

Most organizations have evaluation policies in place. The policies reveal a high level of adoption of the norms and standards promulgated by UNEG. A large number of those policies, however, reflect a mechanical adoption of the UNEG norms and standards, without their being adapted to the institutional context. Similarly, most organizations do not have an overall vision and strategy for the central evaluation function that address strategic alignments such as with other oversight and learning systems, with the decentralized evaluation function, with other United Nations organizations or with national systems. The absence of a broad strategic vision limits adaptability and decision-making and presents risks associated with ad hoc approaches in the development of the function.

4. The United Nations system evaluation function is under-resourced and overstretched.

The staff ratio of 0.2 per cent, defined in terms of the percentage of professional evaluation staff to overall organizational staff, and the funding level of the evaluation function at about 0.3 per cent of organizational expenditure are assessed to be inadequate to address the growing demand for coverage, quality and institutional support. This limited capacity leaves little room to respond to the vast and growing demands on the function, or to enhance its broader role in supporting the United Nations system as whole.

There is a need in most organizations to increase the resourcing of the evaluation function and to develop appropriate costing norms and frameworks to guide budget allocation for evaluation. There is also a need in some organizations for more efficient use of staff to focus on carrying out the core evaluation function, as opposed to other oversight or management functions. Also significant in enhancing the efficiency of the central function is the development of institutional support functions such as better systems of monitoring and data quality and well-designed programmes with clear objectives, well established results framework and performance indicators all of which facilitate the evaluability of the programmes.

Of equal importance to enhance both efficiency and added value is exploring alternatives in programme delivery to include greater interdependence and joint work in evaluation systems development and an increase in joint evaluations. The on-going debate on the post-2015 development agenda indicates that the United Nations system can best survive and flourish when it breaks down so-called “silos”. This implies that the evaluation function of the United Nations system should restructure itself by reversing the predominant approach of trying to “go it alone” in each organization, particularly small organizations, and should engage a wider range of partners and institutions. Such an evaluation function would play a greater role in providing multi-sectoral and cross-cutting information that would support holistic and strategic decision-making in the United
Nations system.

Credibility of the function: independence and quality

5. *Progress has been made in enhancing the credibility of the function by increasing its independence and issuing better quality evaluation reports, but more needs to be done, in particular to address structural independence, the external quality assurance of the function, and the quality of reports.*

The independence of the function is the component with the highest level of development of the five components that define a high-quality evaluation function. The results of an assessment of five criteria of independence (structural, functional, professional, technical, inclusion and behavioural independence), show that two organizations operate with high levels of independence, 16 organizations at above-average levels, six at average levels and six at well below an acceptable level of independence. Great progress in enhancing independence has been made through the role played by both evaluation managers and evaluation staff in maintaining high standards of professional and personal integrity with regard to independence. Progress has also been made by senior management in safeguarding independence. Independence with inclusion is an important and much valued characteristic of the United Nations evaluation system. For a multi-cultural, multi-dimensional and inter-governmental body like the United Nations system, it enhances trust and transparency. Most of the evaluation units of United Nations system organizations have done well in enhancing stakeholder involvement in evaluation while also safeguarding independence. Challenges remain in enhancing structural independence and principally in addressing the independence of the head of the evaluation function and the reporting lines. Other system-wide issues to be addressed for enhancing independence, while also enhancing technical quality and credibility of the function, include addressing the regional and gender imbalance among heads of evaluation units, and ensuring the professional evaluation expertise of unit heads.

Regarding the professional and technical quality of the function, the main strengths are in staff competencies and behaviours, although more needs to be done to support the professional development and excellence of staff. Involving stakeholders to strengthen the content, value and meaningfulness of evaluation reports is a common practice in a large number of organizations. Significant challenges include: (a) the limited use of independent, external quality assurance mechanisms for the quality assessment, or meta-evaluation of reports; (b) the lack of solid information about the quality of evaluation reports; and (c) the current low quality of reports. The UNEG peer review mechanism, which was initiated in 2006 and assesses both the function and the quality of reports, has been implemented only in nine organizations. External assessments of the quality of reports have some common elements, but they use different measurement systems. There has been an increase in external assessments of the evaluation function in recent years by bilateral organizations. Alignment is needed among all existing mechanisms for the quality assessment of the evaluation function and its products to avoid duplication, enhance reliability, limit transaction costs and have an impact on harmonization and efficiency.
Utility: use of evaluation and effect of use

6. Organizations are not predisposed to a high level of use of evaluation to support evidence-based policy and decision-making for strategic direction setting, programmatic improvement of activities, and innovations.

The study found that the use of evaluation reports for their intended purposes is consistently low for most organizations. Even organizations in which the evaluation function is considered to perform well manifest, only an average level of use of reports by the intended audience. Low level of use is associated with an accountability-driven focus and the limitations noted above on the role of the function in the development of the learning organizations. There is a need to improve the systems in place for assessing the use of evaluation. Likewise, better systems are needed for assessing the impact on organizational effectiveness in using evaluation. Currently, the systems used to assess that impact are rudimentary and ad hoc. The limited information available on the use and impact of evaluation reports makes it difficult to provide analyses for a full understanding of the overall value of the function. The United Nations system is, however, not alone in having a low level of performance regarding the use of evaluation to influence decisions and turn learning into action. Prevailing evidence shows that other development partners have the same problem, which suggests that a concerted effort is needed to address the problem and enhance understanding of the value of the function.

Given the interest in the use and hence the value of the function, the study examined in an exploratory fashion the overall value for money of the function. Analysis showed that the nine organizations in which the evaluation function is the most developed account for almost 70 per cent of the total organizational expenditure of the 28 JIU participating organizations. While it is indicative only, the evidence suggests that the evaluation function of the United Nations system is good value for money, and could be more so with the continuing development of the function, including enhanced use of evaluation reports.

Readiness to support change

7. Factors such as the different mandates and business models of United Nations organizations, the tendency towards the “silo effect” — not thinking in broad strategic terms or considering wider alliances and alignments within and across United Nations agencies — and the generally low level of evaluation capacity in a number of organizations hinder the ability of the evaluation function to play a key role in driving change in the United Nations system. Associated with that is the disaggregated functional structure of the United Nations system.

The level of readiness of the evaluation function to address change and the emerging challenges of the United Nations system is rudimentary in the majority of cases. There is harmonization and coherence in methodology and standards based on the wide range of normative products of UNEG. That has not, however, translated into extensive joint work by the different organizations. There has been an increase in joint evaluations, mainly regarding gender, food security and in humanitarian areas, but they are limited by systemic constraints. The evaluation function of most organizations has yet to come fully to terms with changing global dynamics, the demands for interdependence and inter-connectivity in real terms and how they could be used as an opportunity for restructuring
the function. Many organizations are still looking for best practices in traditional ways of doing things when what would perhaps best serve the United Nations system is a reflection on alternative integrative and collaborative systems focused on connections among organizations and sub-systems to optimize performance.

The topics of inclusion (addressing diversity, gender equality and human rights), and national ownership and capacity for evaluation are two important challenges in the area of development. Enhancing gender equality in the management, design, conduct and reporting of the findings of evaluation has been driven by the persistent engagement of UN-Women. Nine of the organizations reviewed manifest a high level of performance in mainstreaming gender in evaluation.

The development of national evaluation capacity (highlighted in several resolutions) is generally not perceived by many organizations as a cross-cutting mandate. Besides its value for the governance of countries, national evaluation capacity development is recognized by most United Nations system organizations for its effect on the utility and sustainability of their evaluation function, no matter what their organizational size, structure, activities or field presence. Support of the evaluation function for national evaluation capacity development is, however, rudimentary. Organizations manifest varying forms of engagement with national institutions and experts in evaluation to enhance either capacity for evaluation or ownership of evaluation results. Only three organizations implement activities to support national capacities for evaluation based on a strategic approach.

Even though it has been argued that strengthening national capacities for evaluation is a programmatic responsibility, demands for support from the central evaluation function which houses evaluation experts has not abated. These, and several other increasing demands on the central evaluation function raise questions about the capacity and ability of the United Nations evaluation system to deliver as expected. The dynamism and commitment of heads and staff of evaluation units have been a major driving force in improving the quality and value added of evaluation, but are not, on their own, adequate to ensure the sustainability and relevance of the function. Heads of evaluation units have now embarked on the implementation of a new UNEG strategy to address some of the challenges, but full reflection on alternatives, non-traditional approaches, and support is needed from all stakeholders, including management, Member States and private-sector partners.

B. Decentralized evaluation function

8. **The absence of an overarching and well-defined institutional framework, based either on evaluation policies or results-based management, makes the decentralized function tenuous.**

Decentralized evaluations are planned, managed and conducted outside the central evaluation unit. They are embedded within programme and management units responsible for the planning and implementation of projects and programmes. They are structurally not independent of line management. That applies to evaluations planned and managed at the discretion of project managers as well as those commissioned or contracted out to external consultants. Today, most organizations do not have a robust institutional
framework to support the decentralized function. Only 11 organizations are assessed as having defined systems or elements of a system for decentralized evaluations.

The study analysed the various archetypes and models of decentralized evaluation in the United Nations system and identified two main models of decentralized evaluation systems.

The first model is the ad hoc system without a defined institutional framework which continues the tradition of discretionary self-evaluation of projects conducted by project staff at headquarters and in field offices. That is the practice in all but one of the 28 organization and involves a vast number of project managers who, serving as a knowledge force, are producing a substantial number of project evaluations. The quantity and quality of their evaluation work is unknown, therefore reducing the strategic utility of such evaluations.

The lack of attention paid to the ad hoc system of decentralized evaluations suggests that the United Nation system is missing opportunities to make better use of the assets from the evaluation reports produced and to engage staff involved in such evaluations that are conducted all over the system. This is an important issue in the current context, given the pivotal role of such staff in responding to the need for providing timely evidence on the ground and making immediate changes where it matters the most. The significance of this issue has been highlighted in the debates on the post-2015 development agenda where the response to fast change and complex challenges require continuous and formative evaluation for correction in the course of implementation.

The second model consists of decentralized evaluation systems with a defined plan, a quality assurance system and systematic reporting. As mentioned above, only 11 of the 24 JIU participating organizations were assessed to have such systems and they do so to varying degrees and at different levels of institutionalization. For 10 of the organizations, the decentralized function is assessed to currently operate out of 923 points (i.e. either evaluation units or evaluation tasks assigned to monitoring and evaluation specialists or focal points) within programme and technical departments at headquarters, and at regional and over 150 country offices producing over 640 reports per year. On average, 64 per cent of the reports (of this group of 10 organizations) are output-level evaluations and 10 per cent are outcome evaluations. There are 12 impact evaluations, while the rest of the evaluations are of unknown type.

The study collected further evidence for those 10 organizations and the observations below apply to those 10.

9. **Policies, norms and standards, and resources for decentralized evaluations are inadequate.**

The decentralized function for the sample of 10 organizations reviewed is missing an appropriate normative framework that is “fit for purpose” for the role and comparative and added value of the decentralized evaluation. The UNEG framework for norms and standards does not completely provide for the needs of the decentralized function. However, professional networks are being established to address decentralized evaluation, its value systems and the rules of the game, its key issues and challenges and the role it should play for the benefit of individual organizations as well as for the system as a
whole. Such networks have the potential to greatly enhance the development of the function and they need to be expanded, empowered and supported. A concerted United Nations effort across agencies is needed to enhance the development of such networks.

Existing organizational evaluation policies have guided to some degree the development of the decentralized function. These policies have not however addressed two important areas: (i) coherence, and (ii) alignment with national evaluation. With regard to their level of development, these areas are among the weakest of the decentralized function.

Funding for decentralized evaluation has come from project and programme budgets in some organizations. That offers some stability as opposed to situations when there is dependence on extra-budgetary financing. However, the amounts provided for conducting evaluations are significantly low relative to the financing of decentralized evaluation in other international development entities.

10. *The credibility of the decentralized function has improved, but more remains to be done.*

A significant number of measures have been put in place to limit bias and enhance the impartiality of evaluation and this has enhanced credibility. The quality of decentralized evaluation reports has improved, but more needs to be done to enhance the systems and staffing needed to further improve quality. Also, one would have expected greater coherence at the country level and particularly in the context of the unifying framework offered via the United Nations Development Assistance Framework (UNDAF). This has not been the case in many instances even 10 years after UNDAF was introduced. Coordination or collaboration in decentralized evaluation is limited. Coordination between the decentralized and the central evaluation function is almost non-existent in country-level evaluations.

11. *Use of and learning from decentralized evaluation is limited by an organizational culture which is focused on accountability and responsiveness to donors.*

Like the central function, the decentralized function is highly responsive to demand for accountability. It is also focused on the formative improvement of projects and programmes, which is considered a prime value of the decentralized function. However, the function has not sought to enhance the empowerment of staff and promote learning from evaluations. Even for the ad hoc evaluations that are being conducted by a vast number of project managers, the indication is that most are demand-driven by donors as part of a protocol agreement tied to extra-budgetary financing.

12. *The decentralized function has an important role to play in addressing current and emerging changes and United Nations system reforms, but it has to be made an integral part of an overall strategic approach to the development of the evaluation function for it to make a contribution.*

The fast pace of development requires just in time and continuous evidence for directing the process of change and development in achieving desired outcomes and impact. Decentralized evaluation operates as part of project implementation thus plays a significant role in providing recurrent strong evidence for correction or the adoption of alternatives. The decentralized evaluation function of the United Nations system has
various models, is not fully supported by a well-defined institutional framework and its quality and added value is unclear. There is a need to develop a strategic focus and plan for the enhanced role and comparative value of decentralized evaluations to support the United Nations system at organizational as well as at system-wide level.

**Recommendations**

**Recommendation 1:** The executive heads of United Nations system organizations in which the central evaluation function is co-located and integrated with other oversight functions or integrated with the executive management functions should enhance the function and ensure its quality, integrity, visibility and added value.

**Recommendation 2:** The executive heads of United Nations system organizations should adopt a balanced approach in addressing the purpose of evaluation for accountability, and for the development of a learning organization that has the appropriate incentive systems for innovation, risk-taking and the use of multidisciplinary perspectives.

**Recommendation 3:** The legislative bodies should request the executive heads of United Nations system organizations to develop comprehensive budget frameworks and resource allocation plans for their respective evaluation functions, based on the cost of maintaining an effective and sustainable evaluation function that adds value to the organization. The plans should be submitted for consideration to the legislative bodies within existing budgetary and reporting mechanisms and processes.

**Recommendation 4:** The legislative bodies should direct the executive heads of United Nations system organizations to review and revise, as necessary, existing policies for the appointment of the heads of evaluation offices, in order to enhance independence, integrity, ethics, credibility and inclusion, with due regard to the following criteria:

- Term limits should be established for a single non-renewable term of office of between five and seven years, with no possibility for the incumbent of re-entry into the organization;

- The head of evaluation should have qualifications and substantial experience in evaluation, complemented by experience in the related fields of strategic planning, basic and operational research and knowledge management, and should have excellent management and leadership attributes.

**Recommendation 5:** The Secretary-General of the United Nations, in his capacity as chair of the United Nations System Chief Executives Board for Coordination (CEB), should request UNEG to collaborate in developing a robust and harmonized quality-assurance system for the evaluation function across the United Nations system.

**Recommendation 6:** The executive heads of United Nations system organizations should make the use of evaluation an organizational priority based on a well-defined vision, strategy and results framework for the evaluation function, and report to
their legislative bodies on the level, nature and impact of use of evaluation.

Recommendation 7: The executive heads of United Nations system organizations should request evaluation offices to reassess the policies, strategies and priorities of the evaluation function. They should strategically position the evaluation function in their respective organizations so as to enhance its relevance in enabling the United Nations system to address current changes and challenges, and to achieve impact and sustainability.

Recommendation 8: The Secretary-General, in his capacity as chair of the CEB, should initiate steps and support innovations for collaboration among United Nations system organizations and with other partners in strengthening national capacities for evaluation addressing accountability, learning, and knowledge development of both national and global value.

Recommendation 9: The executive heads of United Nations system organizations should develop the institutional framework and necessary support systems to enhance the quality and added value of decentralized evaluation and the role it could play in supporting the United Nations system to address emerging challenges, including those of the post-2015 development agenda, and to enhance coherence and alignments in evaluation within and across United Nations system organizations, and with national institutions.