MEXICO: KEY ELEMENTS OF EVALUATION AS A DECISION-MAKING TOOL – SPECIFIC PERFORMANCE EVALUATION EXPERIENCE

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Developing an effective results-oriented budgeting system is more difficult than theory suggests. Such a system is not only needed to build and reinforce the evaluation culture, but also to create comprehensive and practical tools to display evaluation outcomes. Experience also implies that if the utility of information used in decision-making processes is evident to the final clients (the decision makers), then the use of evaluation results will increase.

During the 1970s, the Government of Mexico (with the assistance of international organizations) made its first attempts to establish systematic evaluation practices. Several isolated exercises were conducted to evaluate federal programmes. Later, during the 1990s, there was a major step forward on the evaluation of social programmes with the beginning of the *Progresa* programme (now called *Oportunidades*), because its evaluation strategy was designed concurrently with its implementation.

In 2001, in order to obtain information about the achievements of public programmes, the Mexican Congress determined that autonomous agents of the ministries operating the programmes should conduct evaluations of programme design, implementation, beneficiary satisfaction and impact. Although this effort improved social programme efficiency, it was still not possible to identify complementarities and similarities between them, and it remained unclear how to use the resulting information for planning or budgeting decisions.

Since 2004, the evaluation process in Mexico has been institutionalized through the approval of two laws: the General Law of Social Development and the Budget and Fiscal Responsibility Law. These laws clearly identify the actors in charge of evaluating public

programmes: *Consejo Nacional de Evaluación de la Política de Desarrollo Social* (CONEVAL), the Ministry of Finance and the Audit Ministry.

CONEVAL is a federal, decentralized public organization, with autonomy and the technical capacity to generate objective information on the socio-political situation and poverty measurement in Mexico. CONEVAL has two primary functions:

1. Regulate and coordinate the evaluation of national policies on social development and the evaluation of social policies, programmes and actions executed by public dependencies; and

2. Establish the guidelines and criteria used to define, identify and measure poverty, guaranteeing transparency, objectivity and technical rigor.

Both functions provide valid and reliable information to decision makers in order to increase the efficiency of policies and programmes and to inform citizens about the results of social policy.

Focusing on monitoring and evaluation, CONEVAL has being dealing with some challenges:[14]

FIGURE 1. MONITORING AND EVALUATION SYSTEM
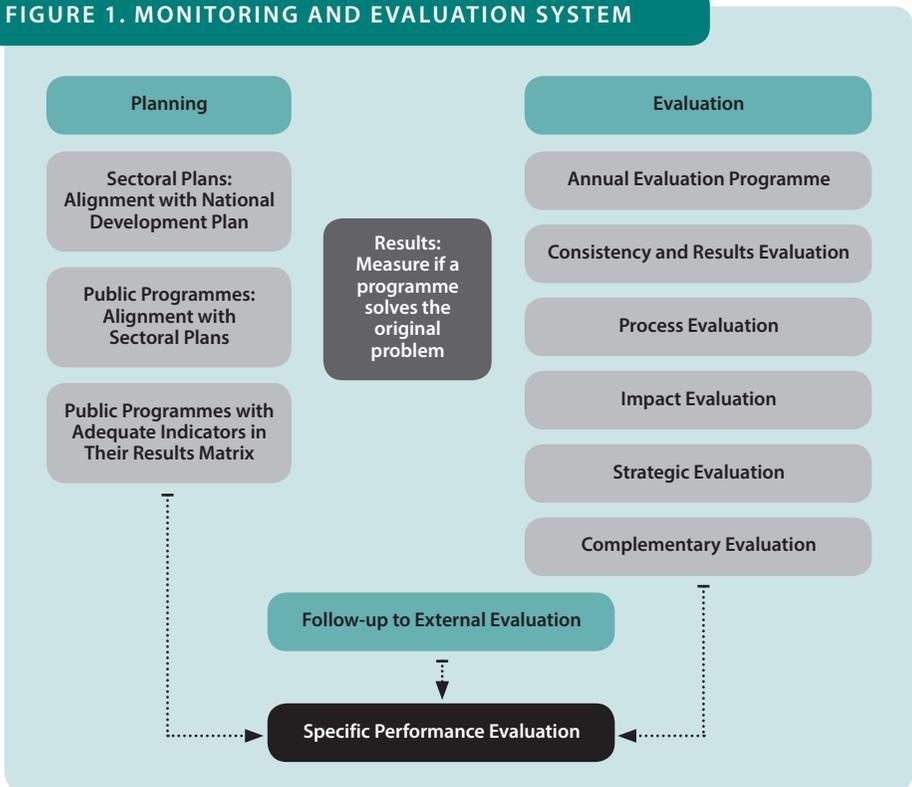
Source: CONEVAL, 2008, 'Informe de Evaluación de la Política de Desarrollo Social 2008'.

15   Hernandez, G. CONEVAL's M&E System presentation.

1. **Institutional challenges,** which implies defining and implementing rules for those involved, in order to establish the actions and responsibilities for the creation and use of information.

2. **Challenges linking national priorities and needs with public policy** instruments through a casual logic scheme that explains expected results.

3 **Technical challenges** related to defining appropriate methodologies for evaluating policies and programmes, the collection of necessary information to conduct evaluations, and the identification of evaluation organisms.

Some strategies have been devised in order to meet these challenges, including establishing a Monitoring and Evaluation System that approaches planning and evaluating with a results-oriented view (see Figure 1). The planning step aligns social programme indicators (according to the logical framework methodology) with the government's strategic goals.

The evaluation phase includes seven types of evaluation for programmes and policies:

1. **Consistency and Results Evaluations** assess an institution's capacity to achieve its goals. This type of evaluation allows counting with a diagnosis on the institutional, organizational and management capability of results-based programmes. CONEVAL issued a model terms of reference with 51 questions. Among the objectives of the questions are an analysis of programme design based on the results matrix and the obtaining of relevant information on programme operations and results achieved.

2. **Processes Evaluations** analyse the contributions of operational processes to the purpose of the programme. This type of evaluation detects the strengths, weaknesses, opportunities and threats of the regulatory framework, structure and functioning of programmes, focusing on identifying strategies that may enhance operational effectiveness and enrich programme design.

3. **Indicators Assessments** analyse indicator relevance and range.

4. **Impact Evaluations** measure the effects attributable to programmes. One of the primary challenges in evaluation is determining if social programmes meet the objectives for which they were designed. The development of impact evaluations is relevant; using appropriate indicators establishes a rigorous methodology for determining whether the programme had an impact on economic features or on factors related to beneficiary well-being.

5. **Complementary Assessments** address additional topics not covered by defined evaluations.

6. **Strategic Assessments** are policy evaluations of a set of programmes.

7. **Specific Performance Evaluations** compile information from other evaluations with other available information, providing a strong tool for decision-making.

A Specific Performance Evaluation (EED, by its Spanish acronym) is a summarized assessment of the annual performance of social programmes, presented in a unified format. An

EED presents the progress towards the planned objectives and goals of a social programme, based on a summary of the information contained in the Performance Evaluation System[15] (such information includes external evaluations, internal reports, coverage data and analysis of results, services and management indicators).

The evaluation is directed to decision-making actors (e.g. ministers, programme managers, congressmen and policy analysts). It concisely describes the most relevant results and findings of each programme as determined by the expert opinion of the external evaluator.

In 2008, the challenge was to create a practical tool or report that could be used in the budgeting process—a tool that was limited to 10 pages, was comparable across programmes, and was amicable and easy to understand for readers outside the evaluation field. From 2009 to 2011, CONEVAL had coordinated around 130 EEDs per year.[16] During that time, it improved the format design and content of evaluations based on feedback sessions with evaluators, staff of evaluated programmes and participating agencies, and principal users.

The current evaluation format is nine pages that cover:

- **Results:** advances made in responding to the problem or need for which the programme was created;

- **Management:** the efficiency of delivering goods and services to the beneficiary population and the efficacy of budgetary accounting;

- **Coverage population:** the number of people serviced and their geographic location; and

- **Follow-up of recommendations:** the use of evaluation findings to improve the programme and the achievements of those improvements.

The EED development cycle starts in April, when the official information of the last fiscal year is published (*Cuenta Pública*). This timing provides available and validated indicators values, coverage data and budgeting information. The cycle ends in June, so its results can be used in the following year's budgeting process.

Because of time restrictions, and in order to generate reports and systematic information, EEDs are conducted on Internet-based CONEVAL software, the Development Evaluation System. This tool generates a homogenous format for final reports.

This evaluation is designed for decision makers, but it also responds to three major goals: supporting decision-making processes inside or outside the programme; improving programmes and policies by knowing their results, opportunities and limitations; and contributing to government accountability.

Primary achievements from this three-year evaluation experience include: increasing evaluation readership—people are reading the reports because of the format and

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16   The Performance Evaluation System was created by the Budget and Fiscal Responsibility Law as an element of the results-based budget. The system is operated by the Ministry of Finance, but EED has its own module managed by CONEVAL.

17   For EED, see <www.coneval.gob.mx>.

summarized information; increasing interest in developing better information and more accurate data; and functioning as an input to the Ministry of Finance for budget negotiations.

Some tools based on EED results have been created for the budgeting process. One of these is a 'traffic light' system (a simple way to identify programmes' strengths or/and weaknesses, or 'red lights'); another is a one-page programme summary (useful for identifying relevant information); and databases to increase access and ease the analysis of available information.

The EED has evolved and matured, particularly in its implementation mechanism. The participation of all stakeholders is vital, hence since the second year there are two mandatory meetings between the evaluator and programme officers; constant communication is strongly recommended.

There are lessons learned from the evaluation process and culture. First, evaluation is complex, and it is not directly related to increasing or decreasing a programme's budget. It can help to identify strengths and weaknesses, and when analysed in the context of development and governmental priorities, it will support the decision-making process. Second, it is important to know your target audience, to define the purpose of each evaluation, and to make sure that all the actors understand the concepts and the practical language of the evaluation. Third, evaluation for decision-making processes can be less cost-effective in terms of timing and effort if it is not accompanied by strategies to increase its use. Fourth, nonevaluated programmes have an advantage—information on their results is not as clear and available as for evaluated programmes; this may discourage programmes from participating in evaluation exercises.

Thus, CONEVAL enriches and supports the decision-making process by delivering EED Reports to strategic actors. The learning process in the development of the EED has allowed innovation in different key elements of report design, implementation method and coordination among actors during the evaluation process. Together, these present a useful experience to share with other evaluation agencies and countries.