

Data, information and insight: New challenges facing NGOs in an evidence hungry age

David Lansley, Fred Hollows Foundation; Cynthia Mulenga, World Vision Australia; Jayne Pilkinton, Oxfam Australia; and Tari Turner, Monash University

Introduction

Development NGOs face increasing pressure to provide evidence of the effectiveness of their work. This pressure has been growing over time and arises from several basic features of the current NGO landscape, notably:

- the amount of funding for development channelled through NGOs which has increased emphasis on outcomes and impacts;
- the rise of alternatives to NGOs, particularly from the private sector;
- the ‘new contours’ of aid, including the rise of non-DAC or BRICS donors (notably Saudi Arabia, The United Arab Emirates, Turkey and China);
- the growth in non-UN multilateral organisations; and
- the increasing inclusion of asylum seeker costs in aid budgets, all of which put pressure on NGO’s traditional sources of funding and their established activities.

For their part, NGOs and the communities they work with recognise that it is often in their interest to produce more and higher quality evidence. Better evidence is essential for continued improvement in program design and increased impact of development work for all stakeholders. Advocacy to increase scale and impact requires robust evidence to win support. Convincing evidence is increasingly needed to attract partners and persuade new funders and governments, multilateral agencies, private donors and broader stakeholders need evidence of program effectiveness to be satisfied that resources are being well used. The rise of evaluation methods such as impact evaluations and randomised controlled trials is also both a result of, and a further driver for, a focus on improving the evidence base for NGO work.

An increased focus on evidence, though, has some significant implications for how NGOs operate. Collection and analysis of greater amounts of data for evidence increases program costs. Data collection frequently involves making pragmatic decisions which affect the quality of the data collected and hence its usefulness in future programming and advocacy. Simply collecting evidence does not necessarily mean better outcomes—*how* it is utilised is equally important (Jones 2012). More challenging still, a greater reliance on evidence requires NGOs to be open with their supporters and the wider community about the complex nature of development work, the risk of failure, and the constant presence of equivocal outcomes.

But perhaps the greatest challenge is determining just what is needed to achieve ‘better’ evidence. From an NGO perspective, some of the prerequisites include:

- an organisational culture that encourages and values the use of evidence;
- access to externally produced research and statistics;
- awareness of the need to collect, analyse and utilise information generated internally through program design, monitoring and evaluation; and
- sufficient capacity (internal or through collaborations).

Effective evidence also needs to be in a useable form, timely, and relevant to the purpose.

So despite the demands for better evidence, the range of factors that influence evidence quantity or quality mean that genuine improvements are unlikely to be achieved easily or by simple actions repeated across different organisations or programming contexts. What needs to be done to produce better evidence will vary from situation to situation.

This paper explores the way three NGOs—The Fred Hollows Foundation, World Vision Australia, and Oxfam Australia—have approached the challenge of producing more relevant and useable evidence in widely different situations. The first study looks at the way The Fred Hollows Foundation approached improving data quality in the seemingly straight forward area of eye health, and some of the challenges it encountered. In the wider field of livelihoods programming, World Vision Australia tackled the challenge of better evidence by trialling Social Return on Investment methodology, a community driven approach to program evaluation. And to increase the impact of its programming evidence, Oxfam Australia explored evaluative reporting across multiple programs to summarise outcomes and strategies.

‘Better to light a candle than curse the darkness’: Improving data on global eye health spending

Avoidable vision impairment and blindness is a significant problem with a long history. An estimated 285 million people globally are vision impaired, 39 million of whom are blind. Interventions to prevent avoidable blindness go back many centuries (Medscape nd). Around 80 per cent of visual impairment and blindness is avoidable, and is largely due to one of a small number of conditions. Reducing avoidable blindness is seen as a priority issue by the WHO, and the VISION 2020 goal of reducing the prevalence of avoidable visual impairment by 25 per cent by 2019 has broad global support.

Despite this long history and international effort, information on eye health spending is surprisingly poor, particularly in low and middle income countries (LMICs). This is a problem for at least four reasons:

- Without a good estimate of current expenditure, we do not know the size of the gap between actual spending and the spending needed to achieve some desired outcome.
- Estimating total expenditure is likely to involve collecting a variety of data, thus building a more detailed picture of eye health.
- Better data on the allocation of spending improves assessments of effectiveness and value for money, and aids calculation of cost/benefit ratios.
- And from a policy perspective, a better understanding of the relative importance of the sources of eye health spending—public, private, health insurance and out-of-pocket—contributes to developing more equitable and efficient funding mixes (Novignon et al. 2012).

Striking a match

To reduce this information gap and improve the evidence base for eye health interventions, The Fred Hollows Foundation in 2013 commissioned PricewaterhouseCoopers and Three Rivers Consulting (PwC/3R 2013) to produce a comprehensive global estimate of spending on eye health. PwC/3R measured both current spending and the additional investment required to eliminate avoidable blindness by 2020 (an earlier version of the VISION 2020 goal).

To do this, PwC/3R disaggregated eye health spending into three elements and estimated each separately:

- The primary eye health system (the first level of contact where eye health problems ideally are identified and treated).
- The secondary eye health system (which provides more complex eye health services, often in a hospital context).
- Eliminating the backlog of avoidable blindness and visual impairment by 2020.

Data limitations were soon encountered, necessitating the use of a range of approaches. For example, for estimates of the recurrent spending in both the primary and secondary health systems in LMICs, PwC/3R took a high level approach. An average of eye health spending as a share of total health spending was calculated for three countries (Peru, Paraguay, and Nepal) where data was available. The resultant ratios were then applied to estimates of other countries’ total health expenditure.

To estimate how much the primary and secondary eye health systems needed to expand to meet the 2020 target, PwC/3R used estimates of the increase needed in the eye health workforce—including general practitioners, optometrists and allied health professionals, and ophthalmologists. And to estimate the cost of eliminating the backlog of avoidable blindness cases, PwC/3R estimated the number of procedures of each type required over the period and multiplied them by a representative cost for each type of procedure. Complicating this, costs not only varied considerably between low, middle, and high income countries, but also within countries.

Light and shade

The resulting estimates provide the most comprehensive picture of both current spending on eye health and the spending gap that needs to be closed to eliminate avoidable blindness. But the numerous data gaps and the range of methodological approaches that had to be employed highlight the scale of the task to produce better evidence. Further, filling the gaps is a laborious process. For example, a study of 19 countries to improve data on cataract surgical rates in Latin America took three years (Lansingh et al. 2010). And while Rapid Assessment of Avoidable Blindness surveys can collect a range of data on the prevalence and causes of avoidable visual impairment in older people relatively quickly, they do not provide a comprehensive picture of eye disease prevalence (Kuper et al. 2006). In short, despite a lengthy history of public and private involvement, acquiring better evidence about interventions to reduce avoidable blindness still faces significant challenges.

‘All life is an experiment’: Using SROI to evaluate an economic development project in Indonesia

The need for robust evidence of effectiveness is particularly acute in the complex area of economic development and livelihoods programming. Funders increasingly require the development sector to reliably confirm the benefits that

arise from its investment in development programming. For development NGOs, determining and communicating the non-economic effects of development programs is particularly challenging. World Vision Australia (WVA) was keen to develop a method that could reliably (and, ideally, simply) demonstrate the results of its development programming. To do this it would need to not only adequately deal with the complexity of program context and design, but also measure both economic and non-economic outcomes.

The Social Return on Investment (SROI) approach expresses returns, including social and environmental benefits, as monetary values. Importantly, SROI also relies on participants to identify outcomes of importance to them, and guide the determination of the financial values of those outcomes. The SROI approach has the potential to provide rich and reliable evidence of the effects of programs and particularly to value non-economic outcomes that support human development.

The potential benefits of adopting an SROI approach include:

- outcomes are those of the primary stakeholders rather than the program providers;
- primary stakeholders are heavily involved in ranking the monetary values attached to outcomes;
- the methodology engages with complexity and context;
- the approach can create compelling and credible evidence of change;
- methods, analysis and results can be externally validated; and
- results have potential to serve both program reflection AND donor/investor needs.

However, the challenges to undertaking an SROI in a development context and to utilising its results should not be underestimated.

SROI in the field: rewards and challenges

As part of a trial of the SROI approach WVA undertook an SROI evaluation of a Local Value Chain Development project with 1,500 households in 16 villages on Flores Island, Indonesia. Essentially this consisted of six main steps.

1. Establishing project scope, identifying stakeholders and ensuring their active involvement.
2. Mapping outcomes, defining how inputs produce outputs, and outputs produce outcomes.
3. Providing evidence of the outcomes and giving them a value.
4. Identifying the project's impact and discounting external factors that may be influential.
5. Calculating the SROI using monetary estimates of inputs and adjusted outputs.
6. Reporting, using and embedding findings.

The SROI process proved to be extremely time and resource demanding, for both the evaluator and the participants in the community. It took more than 12 months to complete. It required two visits to the community by the evaluator. It also consumed many hours of community

members' time, above and beyond the investment in the standard evaluation of effectiveness that was also required as an input to the SROI.

While the SROI methodology is becoming well established in many settings, its application to development programming and LMICs is relatively new. As a result, WVA also needed to progressively develop and adapt SROI methods for the Flores setting. Some of the methodological challenges were fundamental. For example, it was understandably difficult for the participants to comprehend how outcomes that do not have an established market value could be monetised. Community members found it conceptually very challenging to attach a monetary value to the improved health and better education for their children. This is a substantive barrier both to conducting the SROI, and to meaningfully interpreting the results.

A lack of pre-existing data that could be used to value outcomes (for example the cost of health insurance) was also a significant challenge to conducting the SROI. While this data is easily available in the settings in which SROI methods were developed, there are often substantial gaps in LMICs. This means that some of the outcomes cannot be measured leading to inaccuracy and a potential undervaluing of the project impact.

Better evidence, but use with care

While the SROI process generated a great deal of nuanced analysis of the project's impact, the SROI ratio was frequently perceived as the most important finding. The apparent precision of this finding means that it can easily, and potentially dangerously, be used independently of the rest of the story of the project. In the Flores case, the SROI ratio was 4.41, meaning that for every dollar invested in the project, approximately 4.41 dollars of social and economic value was created. Potentially just as important, but much less frequently communicated, was the information about the social capital that was created, for example through the redirection of income to nutritious food.

There is also a risk that the SROI ratio may be used to compare projects. No matter how similar the projects are, though, this disregards the many contextually-dependent assumptions that underpin each SROI analysis, resulting in temptingly quick but potentially misleading assessments of comparative effectiveness.

Oxfam Australia's Outcomes Report

Aggregate evidence from complex programs that use a range of strategies in a variety of contexts is particularly powerful, but is a significant undertaking. If evaluating a single program is challenging, then credibly analysing the effectiveness of many programs with context specific outcomes and strategies is particularly difficult and complex.

The Outcomes Reporting approach

In 2014 Oxfam Australia's Board and Management Team signed off on a new Strategic Plan that included a commitment to Outcomes Reporting—a way to better understand how program strategies worked to contribute to

outcomes. Early in the process the Program Performance Unit (the manager of Outcomes Reporting) worked with program staff to develop conceptual frameworks for each of the Strategic Plan goals prioritised for Outcomes Reporting analysis. Similar to the use of program logics to develop monitoring and evaluation frameworks, the conceptual frameworks were used to identify the Outcomes Reporting evaluation questions.

Fundamental to Outcomes Reporting was that it should complement rather than add to existing expectations on staff to manage and produce program evaluations and reports. Guided by this principle, the Outcomes Report analysis was substantially based on existing program evaluations and reports, supplemented by select interviews with program staff.

External consultants were employed to review program data against the Outcomes Report questions. This introduced an external point of view, and assessed Oxfam's assumptions about effective program strategies against good practice in the sector. To capitalise on internal thematic and technical expertise, advisory staff and senior management provided feedback on the consultant's draft reports.

The Outcomes Report was presented as a narrative analysis for each of the prioritised Strategic Plan goals. The narrative was substantially qualitative, but included some quantitative data including financial and beneficiary data. Among the challenges was how to usefully present the analysis to a diverse audience ranging from the Board through fund raising and operations, to program management and implementation staff.

The Outcomes Report

Lessons:

The Outcomes Report has increased Oxfam Australia's capacity to summarise outcomes across programs in particular thematic areas. This has strengthened Oxfam Australia's capacity to communicate program achievements to external audiences, particularly DFAT. However, arguably the most important outcome has been the analysis of the strengths and gaps in program strategies. For example:

- The Outcomes Report suggested that programs are consistently supporting individuals and communities to increase their confidence and capacity to influence decisions that affect their lives. The analysis also confirmed that most programs are supporting increased civil society capacity to influence at the local level, but less so at a local government, regional or national level. Outcomes at the local level are important but given Oxfam's commitment to national policy and practice change as a way to benefit more people, Oxfam Australia has recently completed case studies of programs that support individuals, communities and civil society to build momentum and support to achieve national level policy change. These will be used to facilitate learning about effective approaches to national policy influencing and to support program design processes.
- The Outcomes Report found evidence that Oxfam programs contributed to changes in government policies that benefit people and communities we work with. A common feature across these programs was sustained Oxfam support, often for more than 10 years. While this

finding is not new, it reinforced awareness that deep and lasting change in complex and often shifting political environments frequently depends on developing long-term stakeholder relationships. This is informing Oxfam Australia's decisions about when and how to support long-term program investment strategies.

- The analysis of Gender Justice programs suggested they could more clearly describe and analyse the changes in norms and attitudes required to reduce acceptance of violence against women and girls. More consistent use of good practice monitoring and evaluation methods would improve understanding of changes in attitudes and norms during program implementation. Oxfam Australia will develop and roll out guidance for staff on good practice approaches to monitoring and evaluating changes in norms and attitudes.

Challenges:

The Outcomes Report analysed 61 long term development, campaigns and advocacy programs and nine humanitarian responses. Some of the challenges to conducting the Outcomes Reporting analysis across many programs included:

- Relying on program evaluations and reports to provide an overview and analysis of program outcomes and strategies. Generally program documentation does not reflect the full breadth of program achievements or include detailed analysis of how outcomes have been achieved.
- Quality of the evidence summarised in program evaluations and reports. While Oxfam program evaluations are generally the best single source of program analysis, a common limitation includes insufficient explanation of the evaluation approach and methodology including information about sampling, data collection and the evidence base for the findings and recommendations. Related to this is that some program evaluations do not assess outcomes against a baseline meaning that it is difficult to assess the amount and quality of change and Oxfam's contribution.
- Meaningfully aggregating achievements across many programs that aim for similar outcomes but in very different contexts. This raises the question of how to assess and value outcomes between contexts where the rates of, and possibilities for change are different. Oxfam's development approach also does not lend itself to global indicators which would more easily allow aggregation across programs.

Next steps

The Outcomes Reporting approach has provided a useful summary of contributions to outcomes across multiple programs, and contributed to decision making on program investments, themes and strategies. However, the investment required to analyse and summarise program outcomes and effectiveness at an organisational level was significant. Based on learning from the Outcomes Reporting process, Oxfam Australia is looking at options to streamline the process. This could include a summary of program performance for each goal and using self-assessment against agreed criteria supplemented by a detailed analysis of outcomes and effectiveness for one or two prioritised thematic areas. Other products likely to support the development of a Strategic Plan Report include thematic conceptual frameworks and projects analysing and documenting good program practice.

Conclusion

The requirement for more robust and compelling evidence of program effectiveness is now a permanent feature of the NGO landscape. NGOs must become more sophisticated regarding the types and amount of evidence they collect in order to open the way to more varied and compelling proof of programming effectiveness. Evidence collection needs to be designed in, not added on.

Equally important, NGOs need to better communicate the realities of producing better evidence. As the three case studies considered here have shown, better evidence takes a variety of forms. While this is not surprising in terms of the wider discussion of evidence—gold standard medical evidence has always been very different to strong evidence for historians—we believe these differences have not been as well understood in the development context. Not least from an NGO perspective, better evidence is likely to require greater emphasis on the value of program outcomes to primary stakeholders and communities in addition to the more usual focus on the aims of program designers and implementers. World Vision Australia's SROI evaluation is a step in this direction.

Also as the case studies make clear, collecting and utilising more compelling evidence is profoundly influenced by context—particularly the type of program and the physical and social context it occurs in. Context can influence evidence in numerous ways. As the Oxfam case study showed, better evidence may take the form of aggregating the outcomes of similar programs across diverse physical and social contexts to assess trends, gaps and risks. Context in terms of the type of program may dictate that better evidence is achieved by new approaches to evaluation. WVA's use of SROI to complement evidence from traditional evaluation approaches provided a more comprehensive view of the outcomes of a complex economic development program. And better NGO evidence may not always be the domain of NGOs. As The Fred Hollows Foundations experience of collecting better eye health data showed, improvements in data may depend on national and global health agencies more than NGOs on the ground.

The way ahead for NGOs is clear but not straightforward to navigate: embrace the demands for better evidence while simultaneously making clear that the better evidence needed to progress further along the path from data to insight takes a variety of forms, can be time, skill and resource intensive, and will not happen overnight.

Notes

- ¹ For example see Beek Center *Funding for Results: How Governments Can Pay for Outcomes* <http://static1.squarespace.com/static/54418805e4b015161ccb0b27/t/55ad047de4b0eff766fb1420/1437402274532/May+2015+Funding+for+Results.pdf>.
- ² On the changing pattern of aid, see for example Robin Davies 'Too important to flail: Effective incentives for public and private humanitarian action' <http://devpolicy.org/too-important-to-flail-effective-incentives-for-public-and-private-humanitarian-action-20160226/>; Robin Davies 'Aid's new contours: who gave and who got in 2014' <http://devpolicy.org/aids-new-contours-gave-got-2014-20150401/>; and Robin Davies 'Aid's new contours: The distribution of aid to countries and organisations' <http://devpolicy.org/aids-new-contours-distribution-aid-countries-organisations-20160405/>.
- ³ For example, the assumptions for the cost of a cataract procedure ranged from \$US19 in a low income country to \$US962 in a middle income country, and \$US2,743 in a high income country. For glaucoma, the respective costs were \$US1, \$US1,285 and \$US2,569. And for trachoma, the range as even wider: \$US1, \$US2,570 and \$US5,138. (PwC et al. 2013:37–38).

References

- Jones, Harry 2012, 'Promoting evidence-based decision-making in development agencies, ODI Background Note', www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7575.pdf, accessed 8 June 2016.
- Kuper, H, S Polack and H Limburg 2006, 'Rapid assessment of avoidable blindness', *Community Eye Health Journal*, www.ncbi.nlm.nih.gov/pmc/articles/PMC1871676/, accessed 8 June 2016.
- VC Lansingh, K Tingley-Kelley, ME Nano, M Martens and MJ Carter 2010, 'Cataract surgery rates in Latin America: A three-year longitudinal study of 19 countries', *Ophthalmic Epidemiology*, 17(2).
- Medscape nd, 'The evolution of cataract surgery: The most common eye procedure in older adults', www.medscape.com/viewarticle/579850_2, accessed 8 June 2016.
- Novignon, J, AO Solomon and J Novignon 2012, 'The effects of public and private health care expenditure on health status in sub-Saharan Africa: New evidence from panel data analysis', *Health Economics Review*, 2(22).
- PricewaterhouseCoopers and Three Rivers Consulting 2013, *The Price of Sight—The Global Cost of Eliminating Avoidable Blindness*, www.hollows.org.au/sites/default/files/pdfs/research/FHF_Price_of_Sight_Report_final_201302.pdf, accessed 8 June 2016.