

# From the Evaluator General's Desk

*I have been driving the same car for 12 years. It is a high quality make, it was a major investment. I get it serviced regularly. I pay attention to how I drive it. I have paid shipping so that it moves around the world with me. I am happy to say it runs like a dream and shows no signs of age. I have a colleague who buys a cheap car in each new post but runs them into the ground. She has to replace the car once her poor driving technique has brought a premature end to the clutch. Who is getting value for money?*

*The answer is that we don't know. Not only would we need to crunch some figures to find out, we would also need to know more about mine and my colleague's objectives in having a car (for example: simple transport or also prestige? and how do you value reliability?) to know if we each got value for our investment. But whatever the answer, we each have a different approach to achieving value for money in our own lives, without judging who has it right, we both know that it matters.*

*The same is true in international development. Whether or not we are getting "bang for our buck" matters. It matters extrinsically – to the tax payers and philanthropists that subsidise the development industry. It matters intrinsically to each organisation and individual striving to make a difference – be they large multi-nationals or small charities. Most of all it matters to those people that development cooperation is expected to support.*

*So, we cannot dismiss value for money, but do we fully understand it? Do we all understand it in the same way? Can we conclude in a robust way when a project, a program or even an organisation is getting value for money or not, and compared to what? Can we really compare organisations that do different things in different parts of the world? The jury is out. That is why we have dedicated this whole issue of Evaluation Matters to the topic. The contributors give us a snapshot of this ongoing debate and the challenges of putting an idea into practice – including experiences from three African countries: Ethiopia, Benin and Mozambique.*

*The issue starts with some background, by republishing the 2012 OECD paper which sought to address confusion surrounding the concept of value for money and promote discussion about the relevance but also the limitations of the concept for development cooperation. It refers to the simple "three Es" framework – economy, efficiency and effectiveness, highlighting that all three matter in any sort of VfM assessment.*

*However, not everyone agrees the simple "three E"s framework it refers to (or now "four Es" if equity is added) is helpful. For example, recent discussion between Multilateral Development Banks resulted in a proposal instead to focus on looking at efficiency at every stage of the results chain in theory, and simply sticking to some broad indicators in practice.*

*The next two articles also look at the concept itself. The first seeks to shed more light on the applications and limitations of the VfM idea and call for a more standardised understanding. The next article asks the pointed question, what is really new in all this? It highlights similarities between VfM and other conventional results tools, management practices and evaluation techniques.*

*Then we move from theory to practice. The experience of examining an Ethiopian water program, led the next contributor to argue for a 5th E in the VfM framework: "evolution" – intended to capture soft changes that can only be observed over a long period. From Benin, we hear of challenges involved in understanding VFM of large scale government interventions. While the next article makes the case for looking at VFM at small scale, before scaling up. From Mozambique, we have a case study of an economic empowerment program, where an evaluation-specific approach to VfM has been developed. The authors contend that the "four Es" approach to determining VfM can be strengthened by explicitly acknowledging that evaluative reasoning and judgement – not simple number crunching – are necessary to address the value for money question in any project or program.*

*The issue finishes with a paper from a bilateral agency perspective. It argues that VfM is not the right guiding concept to helping agencies to allocate limited aid resources (contrasting with the official view of some other bilateral agencies); and that existing analysis and evaluation of the efficiency area is often weak.*

*While addressing questions around VfM in development, the issue leaves at least one important question for evaluators totally unaddressed: Are we – evaluators – value for money? Are rigorous evaluations worth the cost in every case? My own view is that not all evaluations require the same investment. Some can be quick and cheap, but others require significant analysis and data collection in order to address questions reliably, and this takes investment. So we need to focus our resources on questions that need answers, not evaluation for its own sake. This is true of all evaluation types including impact evaluations, where a fashion for impact studies should not lead us to spend limited resources confirming what we already know through countless previous studies. Another dimension of value for money in evaluations is their utility – even if you produce an impeccable evaluation that provides new insights into what works – if it is a year too late or is not properly disseminated then it does not have impact. If it does not make a difference then its value is seriously undermined. This discussion, however, would require an entire second issue to address!*

*So we have in this issue a rich conversation about VfM concepts and theory as well as experiences and challenges in practice. There are different views, varying priorities. One thing is clear – the debate on applying a value for money lens in international development cooperation (and evaluation) is by no means over.*



## Author's Profile

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