

# Proving and Improving

## More effective and efficient impact studies

### Impact studies: a burden or a blessing?

Is an impact evaluation study the last tick on a checklist to satisfy your donors? Or is it an opportunity to reflect on the relevance, effectiveness and sustainability of your work – and identify lessons and insights to improve? At Aidenvironment we regularly perform monitoring and evaluation impact studies – especially in sustainable production and trade related projects. We see many benefits in this opportunity to reflect and improve.

But there are challenges. How to focus impact studies in a complex project? How to determine the contribution of your interventions when so many external factors also play a role? How to ensure scientific rigor while keeping costs down? How to account for indirect effects, when you know how important these can be in the long term?

### Proving and improving

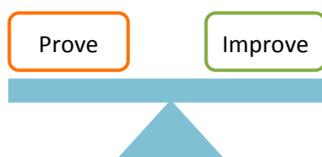
Impact studies include baseline studies, mid-term review studies and end-of-project impact evaluation studies. They generally aim to generate two types of insights:

- changes that occurred during the project period (or are expected to occur) – with respect to particular outcomes and impacts, and
- the contribution of the project activities to these changes.

Together with our clients, we have seen many pitfalls and opportunities. We believe that a good impact study should serve two objectives - the balance between these two objectives may vary, but in our experience they can and should be combined:

1. *Prove* that an intervention has contributed to medium- and long term outcomes and impacts;
2. *Improve* impact by understanding lessons and insights to revise the project strategy.

### Balancing the need for proving and improving



### From anecdotal evidence to randomized control trial

Combining both objectives is challenging. For decades, impact studies have been based on evidence generated from end-of-project evaluations. These studies are typically based on a combination of mainly qualitative tools: in-depth interviews, focus group discussions and analysis of secondary data. They often depend on anecdotal evidence. And demand for accountability of public funds has meant calls for more robust studies.

While these studies generate relevant insights, they often do not provide the robust evidence required. Robust conclusions on impact require:

- strong baseline and impact studies (to assess trends in time), and
- randomized control trial (RCT) design (studies with control sites and sample sizes that allow statistically significant conclusions).

### Different evaluation approaches

<b>Qualitative methods</b>	In-depth interviews, focus group discussions, analysis of secondary data, perception analysis, narratives, outcome mapping
<b>Quantitative methods</b>	Randomized control trial, baseline and impact surveys, statistical analysis
<b>Mixed methods</b>	Tailor-made sequence of qualitative and quantitative methods, selected indicators for in-depth analysis, impact pathway analysis, contribution analysis

Numerous impact studies using RCT methods have been conducted – also in sustainable production and trade related projects. While these studies provided some robust evidence, they fell short in some respects:

- RCT methods are useful to understand and measure impacts for relevant but simple cause-effect relationships (e.g. the effect of training on specific practices). They are less suitable for changes in larger systems – due to the complex dynamics and multiple interacting causes.
- Studies that include RCT methods require specific expertise. They are relatively expensive because of the large sample sizes and the large number of surveys usually required (generally at least €100K for a single study).

### A better approach to impact evaluation

*The use of mixed methods can strike a balance between proving and improving.*

Our experience with impact studies has led us to conclude that a mixed methods approach can be highly effective for gaining insight into complex system dynamics (e.g. agricultural and supply chain related projects). At the same time the approach gathers accurate data on a limited number of quantitative indicators and simple cause-effect relationships. This is useful for learning and continuous improvement purposes, while also generating convincing data that proves results. A mixed methods approach is defined as one that combines qualitative methods (such as key expert interviews, outcome mapping and focus group discussions) with quantitative surveys (surveys and data collection for quantitative indicators).

Mixed methods can be sequenced in a phased approach to increase the quality of the studies (e.g. surveys are focused on critical cause-effect relationships that emerge from focus group discussions).

*Defining a theory of change and the impact pathways is a central component of our mixed methods approach.*

A theory of change shows visually the main building blocks of the project and the expected process of change. Impact pathways show how project inputs, outputs and outcomes lead to the expected impacts. They also show key external factors that influence the expected changes and thus the relative influence of the project. Our impact evaluation studies basically aim to validate the impact pathway and its

key cause-effect relationships. Qualitative methods are also used to explore alternative pathways and unexpected effects. This approach allows room for alternate explanations and new insights. Thus, our approach leads to:

- insights into changes and causal relationships, both expected and unexpected, and
- conclusions as to the significance of the contribution of the project (plausible impacts), as well as
- joint learning, if revisiting the theory of change and impact pathways is done as part of a joint exercise with the project team and its partners.

*Our mixed methods approach brings focus and reduces costs.*

The aim is to end up with a limited number of impact pathways and indicators linked to the main processes of change. This helps focus the impact study and reduces costs. Our impact studies prove their ‘value for money’ but also to generate lessons for continuous improvement. Such studies can often be done for around €50K.

*Impact pathways generate focus and help to assess contribution.*

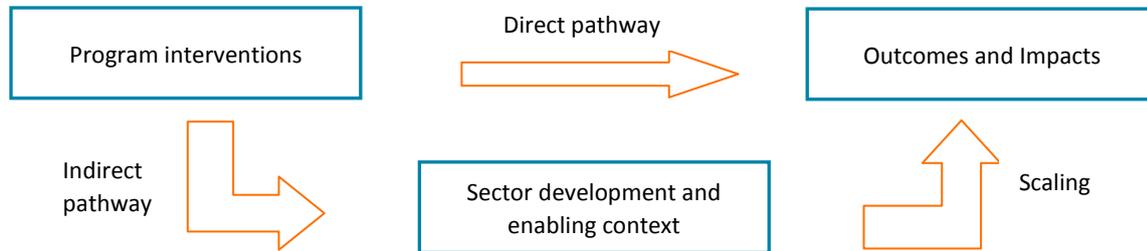
- Outputs: The processes, goods and services and other immediate, tangible changes resulting directly from the project’s interventions.
- Outcomes: The short- (immediate) and medium- (final) term effects of the project’s outputs – intended and unintended.
- Impacts: The long-term benefits or negative effects produced by the project, for people or nature – directly or indirectly.

*Example*

Inputs	Outputs	Immediate outcome	Final outcome	Impact
Project’s requirements for good agricultural practices (GAP)	<ul style="list-style-type: none"> <li>• Farmers trained farmers/reached with GAP</li> </ul>	<ul style="list-style-type: none"> <li>• Improved knowledge of GAP</li> </ul>	<ul style="list-style-type: none"> <li>• Farmers implement GAP</li> </ul>	<ul style="list-style-type: none"> <li>• Increased yield</li> <li>• Increased profitability</li> </ul>
External influences:		<ul style="list-style-type: none"> <li>• Access to other support projects for the target group (e.g. the farmer)</li> </ul>	<ul style="list-style-type: none"> <li>• Target group access to inputs, technology, finance, farm labor</li> </ul>	<ul style="list-style-type: none"> <li>• Pest infestation and climate conditions affecting yields, market prices</li> </ul>

### Direct and indirect pathways

An agricultural support project collaborates with public extension services in its farmer training activities. Training producers in best agricultural practices is a direct pathway, but limited to the targeted producers. Strengthening capacities to create independent service centers is an indirect pathway - in due course it may benefit many more farmers than those directly targeted by the project. Understanding such indirect effects in impact studies can reveal important lessons for the institutional embedding – and potential scaling – of the project activities.



*The use of mixed methods can be used to evaluate direct and indirect impacts.* Sustainable production and trade related projects (as well as other development projects) increasingly aim to transform markets or bring about systemic changes that are necessary for broader impact. It is, however, not easy to evaluate changes at a system level. Such changes tend to be gradual and are often social or institutional by nature – and there may be many unexpected external influences. Qualitative evaluation methods such as outcome mapping, narratives and the reconstruction of impact pathways can help in understanding the changes and the relative contribution by the project.

In summary we have identified the following success factors for effective and efficient impact studies:

- Use a mix of quantitative and qualitative methods or tools, in a phased approach
- Bring focus and identify contribution via theory of change and impact pathways
- Select a limited number of indicators for quantitative analysis
- Include attention for indirect pathways
- Learn by including the project team in revisiting the theory of change and impact pathways.

*In short, a mixed methods approach delivers both convincing evidence and more insight. And that is important for proving and improving.*

### Aidenvironment's track record

Examples of assignments in which we have used the mixed methods approach:

- Baseline and impact evaluation of the Food Security Program in Bangladesh, for the Dutch Evaluation Department (IOB) of the Ministry of Foreign Affairs (in partnership with APE).
- Impact evaluation of the Indonesian cocoa certification program for UTZ.
- Impact evaluation of SNV WASH program in Ethiopia, for IOB.
- Impact evaluation of the Fairtrade Gold standard, for Fairtrade Foundation.

More information on these assignments and reports can be found on our website.

### Interested?

Contact us to find out what we can do for you.

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