

Final Report

ECG Working Group on Evaluation Recommendations, Management Responses and Feedback Loops

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EXECUTIVE SUMMARY

Following several discussions on the subject of evaluation recommendations, the Evaluation Cooperation Group (ECG) decided that a **Working Group on evaluation recommendations, management responses and feedback loops** should be launched. This report seeks to support the activities of the Working Group by providing a reference document that:

1. Takes stock of how ECG members and observers formulate evaluation recommendations, obtain responses to evaluation recommendations from management, engage the Board with evaluation recommendations, follow up on the implementation of evaluation recommendations, and draw on feedback loops to improve the formulation of evaluation recommendations and their implementation.
2. Identifies lessons for promoting the recurrence of desirable outcomes in the aforementioned stages in the evaluation process, while precluding the recurrence of undesirable outcomes.

These objectives were addressed by drawing on desk research and 40 interviews with representatives of the evaluation, service, management and Board functions within the ECG members and observers participating in the Working Group.¹

The stocktaking exercise and analysis of lessons learned identified the following factors as influencing the way the studied processes are organised and implemented by the ECG members:

- The organisation and governance structure of the institution, especially in terms of lines of communication and reporting lines for the evaluation function;
- The size of the evaluation function and the number of evaluations undertaken;
- The types of evaluations undertaken (e.g. project, country programme or corporate evaluations); and
- The maturity of the evaluation recommendation process, and the degree to which it has been institutionalised through policies, procedures and practices.

Regarding the **formulation of recommendations**, the study found that the process is generally guided by the overall evaluation policy of the independent evaluation functions of the institutions studied. The evaluation functions take the lead in the process and tend to engage with management and service functions either through dedicated meetings or through ad-hoc consultations. The independence of the evaluation functions is underscored by their freedom in deciding upon the recommendations put forward. Nevertheless, the commonly held view is that **good cooperation between the evaluators and the operational services and management** throughout the evaluation process (including in the final stages of recommendation formulation) leads to more useful recommendations. There is a general agreement that “less is more”, i.e. that **the prioritisation of recommendations is important and recommendations should not be too numerous**. A common challenge is the avoidance of cases in which services/management consider the recommendations to be too general or too narrow. While there are no simple solutions for achieving such desirable outcomes, approaches based on cooperation, as well as measures such as **guidelines and internal peer-review practices**, tend to make a positive contribution.

The **formulation of management responses** is a formal requirement for management to respond to all recommendations put forward by the evaluation function, and is applicable to all institutions. Often a central management or policy unit has a **coordination and/or quality assurance role** for the input provided by different services and management for the management response. These types of centralised functions tend to increase the quality and consistency of management responses, however, they may also create bottlenecks if the institution in question

¹ Working Group participants included: Asian Development Bank (ADB), European Investment Bank (EIB), Inter-American Development Bank (IDB), International Fund for Agricultural Development (IFAD), Islamic Development Bank (IsDB), World Bank Group (WBG); and Global Environment Facility (GEF)

produces a high number of evaluations on an annual basis. A set up in which both the **services and senior management** of the organisation are involved in **signing off** on the management response can increase ownership of the process and engagement with the actions that follow. Higher quality can also be expected when those drafting the management response are involved in (1) translating the management responses into action plans (where required), and (2), the follow up assessment and reporting on implementation. In many cases, different interpretations of recommendations lead to management disagreeing with the proposals put forward by the evaluation function; this common challenge could be prevented if the process is designed to allow for **sufficient interaction** between the two parties. The presence of a second level of endorsement of the management response by either top management or a board function can also prove helpful as a **resolution mechanism** for cases of major disagreement.

The final stage analysed is the **follow up and reporting on the implementation of recommendations**. While all of the institutions participating in this Working Group have a formal follow-up system in place, with largely similar roles for the involved functions (management, operations, evaluation), there are some differences in how the roles are defined, notably in the role of evaluation functions in the validation of action plans, implementation assessments and reporting. A common challenge for the process is the potential disconnect between the recommendations and the actions taken to implement them, particularly in relation to the extent to which the actions address the actual intent of the recommendation and the context of the evaluation. This may also lead to contradicting assessments of the degree of implementation of the recommendation by the evaluation and management functions that monitor and report on the process. In order to mitigate the risk of such situations, some institutions have organised their process in a way that introduces **different levels of validation and oversight**. The use of **IT systems** to centralise the recording of recommendations, management responses, action plans and their follow up, tends to help maintain an overview of the status of implementation and report thereafter. However, there are clear indications that operations and evaluation functions sometimes perceive the follow-up process as cumbersome and difficult to manage, with uncertainty on the ultimate value added provided to the organisation. This finding underscores the importance of promoting an organisational culture of learning and continuous improvement, while raising awareness of the role played by the evaluation process and its follow up.

Until recently, there has not been much discussion about how **feedback loop mechanisms** may ensure that lessons are learned on a meta-level in order that the studied processes and the systems in place may be improved. One example of such a mechanism are the external reviews of evaluation functions, some of which have covered the aforementioned steps in the evaluation recommendation process. Other examples of a feedback loop mechanism can be found in some thematic or summative evaluation procedures that take stock of recurring recommendations on a given theme. In several of the institutions, there is a strong wish to strengthen such feedback loop mechanisms in order to further improve the systems in place and increase their added value, and further consideration and consultation on how this can be realised will be needed.

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LIST OF ABBREVIATIONS

ACTD	Action completion target date (ADB)
ADB	Asian Development Bank
AER	Annual evaluation review / report
AfDB	African Development Bank
BoD	Board of Directors (EIB)
BSTDB	Black Sea Trade and Development Bank
CODE	Committee on Development Effectiveness (WBG)
COSOP	Country Strategic Opportunities Programme (IFAD)
CSPE	Country Strategy and Programme Evaluations (IFAD)
DEC	Development Effectiveness Committee (ADB)
EBRD	European Bank for Reconstruction and Development
ECG	Evaluation Cooperation Group
EIB	European Investment Bank
EV	Operations Evaluation (EIB)
GEF	Global Environment Facility
GOED	Group Operations Evaluation Department (IsDB)
IDB	Inter-American Development Bank
IED	Independent Evaluation Department (ADB)
IEG	Independent Evaluation Group (WBG)
IEO	Independent Evaluation Office (GEF)
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
IOE	Independent Office of Evaluation (IFAD)
IsDB*	Islamic Development Bank Group
MAR	Management action record
MARS	Management action record system
MC	Management committee (EIB)
OECD	Organisation for Economic Co-operation and Development
OECD-DAC	OECD Development Assistance Committee (OECD)
OVE	Office of Evaluation and Oversight (IDB)
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (IFAD)
REA	Rapid evidence assessment
ReTS	Recommendation tracking system (IDB)
SPD	Office of Strategic Planning and Development Effectiveness (IDB)
UNEG	United Nations Evaluation Group
UN	United Nations
WBG	World Bank Group
WG	Working Group

Note: The abbreviations in brackets denominate the institutions to which the entities, processes or tools are linked.

1. INTRODUCTION

This report supports the activities of the Evaluation Cooperation Group's Working Group on evaluation recommendations, management responses and feedback loops. The objectives of the Working Group are two-fold. First, it aims to take stock of if and how the evaluation functions of Evaluation Cooperation Group (ECG) members and observers:

- Formulate and issue evaluation recommendations;
- Obtain responses to evaluation recommendations from management;
- Engage the Board with evaluation recommendations;
- Follow-up on the implementation of evaluation recommendations; and
- Draw on feedback loops to improve the formulation of evaluation recommendations and their implementation.

Second, the Working Group aims to identify lessons for promoting the recurrence of desirable outcomes in the aforementioned stages in the evaluation process, while precluding the recurrence of undesirable outcomes.

This report is based primarily on research on the ECG members and observers participating in the Working Group (WG) on evaluation recommendations, management responses and feedback loops:

- Asian Development Bank (ADB);
- European Investment Bank (EIB);
- Inter-American Development Bank (IDB);
- International Fund for Agricultural Development (IFAD);
- Islamic Development Bank (IsDB);
- World Bank Group (WBG); and
- Global Environment Facility (GEF).

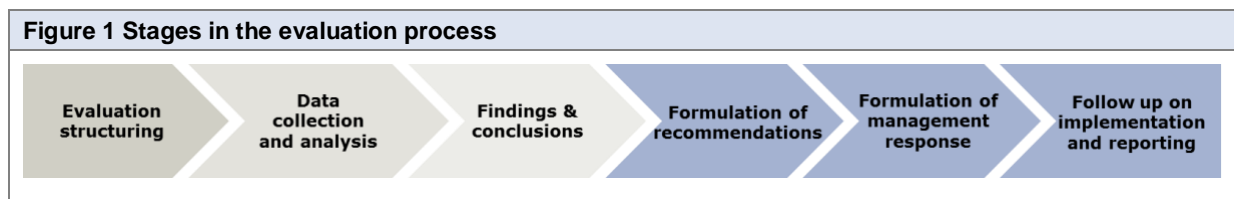
It should be noted that this report does not aim to support the harmonisation of the evaluation recommendation process; rather, the focus is on identifying key takeaways from the experience of each institution and highlight common challenges and lessons learned.

This report is based on the review of documents provided by ECG WG participants to the project team, as well as interviews with representatives of different functions participating in the studied processes.

2. BACKGROUND AND METHODOLOGICAL APPROACH

2.1 Background

There is a long tradition in academic literature of analysing the role of evaluations in the policy development and policy implementation process.² Typically, academic research focuses on the usefulness of evaluations and what factors contribute to the higher utility of evaluations. This report focuses on the processes connected to evaluation recommendations – how they are formulated, how management responds to them and how their implementation is followed up (see Figure 1).



Source: Ramboll Management Consulting

Although the institutions participating in this Working Group face similar challenges when elaborating recommendations, they are different in terms of their objectives, geographical and sectoral coverage, and organisational structure. Thus, in order to present the specifics of each institution in a streamlined manner, the following terms are used when referring to various functions in the organisation:

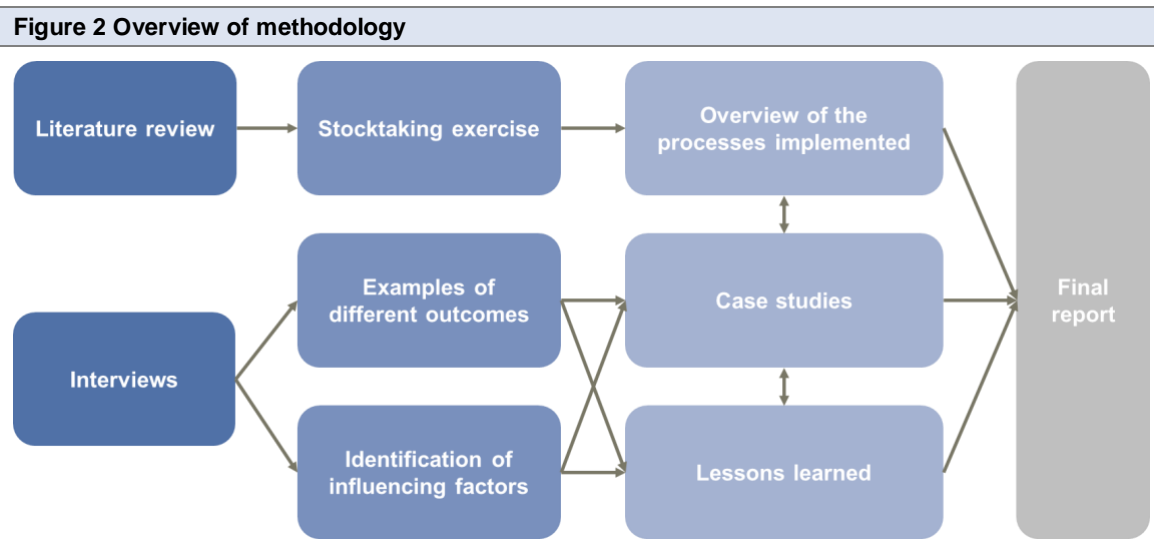
- **Evaluation function** refers to the (centralised) independent evaluation function;
- **Service functions** refers to the service lines or operational staff within the institutions involved in the day-to-do implementation of the policies, programmes and/or projects that are subject to evaluation;
- **Management function** refers to the senior management overseeing the implementation of the policies, programmes, and/or projects that are subject to evaluation;
- **Board** refers to the Board of Directors and/or equivalent, representing (or appointed by) the shareholders.

In addition, it must be noted that the institutions apply different approaches for different types of evaluations, e.g. project evaluations may not go through the same processes as corporate evaluations. This study focuses on capturing the details of practices used when there are formal requirements for recommendations, management responses and follow-up, which is typically the case for large-scale country, programme and/or thematic evaluations.

2.2 Methodological approach

The methodological approach applied for this report reflects its objective of focusing on describing the different approaches taken by the ECG members in organising and implementing the discussed processes. Extensive **desk research** was carried out in order to take stock of the current practices. In addition, close to 40 **interviews** with representatives of different stakeholders (evaluation, service, management and Board functions) within the institutions who are involved in these processes were used to gather additional information about these practices and primarily to gather feedback on the stakeholders' experience with these processes. The approach is summarised in the following figure.

² See e.g. Cousins and Leightwood, 1986; Kirkhart, 2000; Johnsons et al, 2009.



Source: Ramboll Management Consulting

The Annexes of this Final Report provides further background and methodological information, as:

- Annex 1 lists sources for the literature review;
- Annex 2 details the data collection and analytical activities undertaken within the context of this assignment;
- Annex 3 presents the organisational schemes of each ECG participating institution, thereby illustrating their governance structures and the position of their respective evaluation functions;
- Annex 4 contains the mapping grid for each institution, in which detail on their respective evaluation recommendation processes is presented; and
- Annex 5 provides the summary sheets for each institution, in which the key features, strengths and challenges for each evaluation recommendation process are presented, along with possible solutions for addressing said challenges.

3. FORMULATING RECOMMENDATIONS

3.1 Introduction

The United Nations Evaluation Group's (UNEG) defines recommendations as “proposals aimed at enhancing the effectiveness, efficiency, impact, relevance, sustainability, coherence, added value or coverage of the operation, portfolio, strategy or policy under evaluation. Recommendations are intended to inform decision making, including programme design and resources allocations.”³

Some academics argue that it is in general not the role of evaluators to provide recommendations⁴ and some evaluations indeed do not include recommendations. Nevertheless, the consensus supports the provision of evaluation recommendations,⁵ and the focus of this report is on those evaluations that include recommendations.

The role of recommendations and the process for formulating recommendations is rarely the focus of any dedicated academic research in the field of evaluation theory. The focus so far has been on the broader topic of evaluation use (or utilisation), which examines how the ‘findings’ of evaluations are utilised and how evaluations or the evaluation process exerts an influence on the evaluated entities.⁶ Patton (2008) recognises recommendations as often the most visible part of an evaluation report and when done well pull “all the other elements of an evaluation together into a meaningful whole”. Furthermore, Patton sees recommendations as an essential part of utilisation-focused evaluations as long as the primary intended users are involved in the process of generating recommendations based on their knowledge of the situation and their shared expertise. Johnson et al (2009) found that increased evaluation use was tied to:

- Detailed, actionable, evidence-based recommendations; and
- The involvement of high-level executives in the review of findings, formulation, and follow-up of recommendations for action.

According to UNEG, there is a close link between utility, recommendations take-up and ownership/participation - multi-stakeholder participation in forming the recommendations is recognised as a key element to ensure ownership of recommendations and, as a result, to ensure a greater probability of use.⁷

A recent review of evaluation systems in development co-operation conducted by the OECD (2016) notes that several development organisations use sessions or workshops on the draft evaluation reports involving evaluators, managers and implementing units to discuss recommendations and shape them to be actionable and practical, thereby increasing the adoption and implementation of recommendations and improving performance. This participatory approach is thought to contribute to fostering a shared understanding and common ownership for the implementation of evaluation recommendations.

3.2 Overview of the processes implemented in ECG participating organisations

Figure 3 provides an overview of the steps leading up to the formulation of recommendations at the end of an evaluation. The elements outlined in a dotted line indicate parts of the process which are present in some institutions, but not others, and which are explained in more detail later in this section.

³ UNEG (2016) Improved Quality of Evaluation Recommendations - Checklist

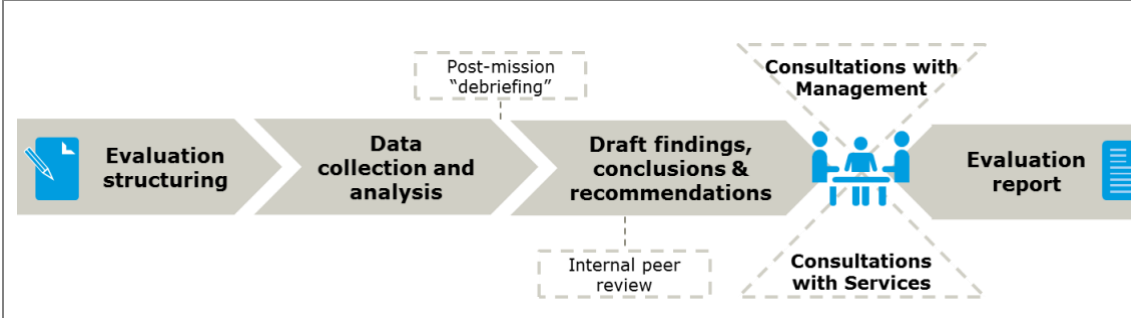
⁴ See Scriven, M. (1993) *Hard-Won Lessons in Program Evaluation*. New Directions for Program Evaluation

⁵ Patton, M. (2008) *Utilisation Focused Evaluations* 4th Edition (pp 504-405)

⁶ See Cousins and Leightwood, 1986; Kirkhart, 2000, Johnsons et al, 2009

⁷ UNEG (2016) Improved Quality of Evaluation Recommendations - Checklist

Figure 3 Overview of evaluation process and process of formulating recommendations



Source: Ramboll Management Consulting

Note: The dotted lines indicate elements in the process which are not applied systematically across all institutions.

The following table offers further detail on the main features of the process in each of the institutions participating in this review.

Table 1 Overview of the process of formulation recommendations

	ADB	EIB	GEF	IDB	IFAD	IsDB	WBG
Presence of policy/ guidelines ⁸	Formal policy	Formal policy + Draft Formal policy + Working document	Working Practice	Formal policy	Formal policy	Working document	Formal policy + Working document
Entity responsible for the process	Evaluation function (IED)	Evaluation function (EV)	Evaluation function (IEO)	Evaluation function (OVE)	Evaluation function (IOE)	Evaluation function (GOED)	Evaluation function (IEG)
Involvement of management in the process	Dedicated technical meeting between management and IED to discuss draft recommendations	2 consultation rounds - (written comments) at Services and at DG level followed by discussion by management	Written comments + meeting	Written comments + technical review meeting	Written comments + Debriefing sessions / Emerging findings workshops	Written comments + ad-hoc meetings	Written comments + 2 meetings (one dedicated to recommendations)
Involvement of staff / beneficiaries in the process	Participation in dedicated technical meeting	Written comments + Workshop	Written comments + meeting	Written comments + technical review meeting	Written comments Debriefing session / Emerging findings workshop ⁹	Post-mission meeting Written comments + ad-hoc meetings	Written comments + meeting
Presence of recommendation standards	-	Guidance on formulation, level of detail, target group, etc. Internal peer-review process	Working practices on the type and level of detail of the recommendations	-	Guidelines specify the objective of recommendations Internal peer-review workshop	Template for recommendations ; Checklists	10-point checklist on writing good recommendations
Presence of defined users of recommendations	Recommendations are typically addressed to management/the ADB	Recommendations are typically made at a high-level, i.e. to the EIB's management and Board	Each recommendation is addressed to a specific entity	Recommendations are addressed to the IDB	Recommendations are addressed to IFAD or national governments	Recommendations should specify whom they are addressed to	Recommendations are generally addressed to WBG management
Timelines for the process	Technical meeting on recommendations typically takes place one week after the meeting with the Heads of Department to discuss the draft evaluation, as revised following interdepartmental comments	No overall timeframe; After the drafting of the report, including its recommendations, the 2 rounds of consultation indicatively take 7 weeks	No overall timeline, stakeholders have 2 weeks or more to provide feedback on the draft report.	No overall timeframe; Written comments are to be provided within 10 days of receiving the draft report	No overall timeframe; Written comments are to be provided within 20 working days of receiving the draft report.	1 month from the date of the Post Evaluation Mission	No overall timeframe. Written comments are to be provided within 15 business days of receipt of the draft report.

Source: Ramboll Management Consulting

⁸ In an effort to facilitate the comparison between the different institutions, this report distinguishes between formal policy documents, draft documents, working documents and practices as the backdrops to the studied processes. The actual definition of a “policy” may vary from institution to institution.

⁹ There is no process of involving staff in developing recommendations in corporate evaluations.

In all reviewed institutions, the **entity responsible for the process** of developing recommendations is the independent evaluation function. The ECG members participating in this review have, in general, laid down a **policy or guidelines for the process of formulating recommendations**. In some cases (ADB, EIB,¹⁰ IDB, IFAD, WBG) there is a formal policy to guide the process, while in others (IsDB, GEF) the process is described via a working document or is based on working practices.

Management functions are often consulted in the process of formulating recommendations. In some cases, the draft evaluation report is also sent for written comments to management (ADB, GEF, IDB, IsDB, IFAD, EIB, WBG). Feedback may also be provided in the context of mandatory meetings/workshops at which management is given the opportunity to discuss and/or comment on the preliminary findings, conclusions and recommendations (ADB, EIB, GEF, IDB, IFAD, WBG). At the ADB, following the interdepartmental review that results in a revised draft to evaluations, IED sets up meetings between the evaluators and management to specifically discuss the draft recommendations. According to interviewed representatives, this practice helps ensure that the recommendations are well understood by management (see the case study in section 3.3.2). The same approach is used at the WBG.

Service functions also tend to be involved in the process by being invited to provide written comments on the draft final report (including draft recommendations) and take part in meetings and workshops. The feedback is generally intended to ensure that there are no factual mistakes and that the message is clear and unambiguous. While comments are often taken on board, evaluation functions emphasise their independent role and “last say” in finalising the evaluation report.

In several cases the independent evaluation functions have laid down **guidelines for formulating recommendations** in terms of their level of detail, format, etc. (EIB, IsDB, IFAD, WBG). For example, the IEG (WBG) has developed a 10-point checklist on writing good recommendations (see Box 2). The IsDB provides a template for recommendations (see the case study in section 3.3.1) as well as a checklist. In the case of the EIB and IFAD, internal **peer review** processes are organised within the evaluation functions in order to review the quality of recommendations and test their robustness.

Box 1 EIB's approach to formulating recommendations
The main criteria for a good recommendation are credibility, usefulness and timeliness. Each criterion is further operationalised into a set of sub-criteria with practical advice for ensuring that recommendations fulfil the criterion.

In some institutions, the evaluation policy or established practices encourage the up-front **identification of specific users of recommendations** (GEF, IsDB). In other cases (ADB, IDB, EIB, WBG), the recommendations are generally addressed to the management of the institution.

¹⁰ For the readability of this report - no distinction will be made between the draft formal policy documents of the EIB, and other formal policy documents.

Box 2 IEG checklist for recommendations

Recommendations should be:

1. Relevant to the object and purposes of the evaluation
2. Based on the evidence and conclusions, logically related to the key findings and appropriate for what has been learned
3. Developed in an iterative manner in consultation with management and operational staff, always understanding that the final recommendation represents the views of the evaluation team and cannot be dictated by management
4. Clearly stated in simple, straightforward language and written in a prescriptive manner to facilitate implementation. (Neither so broad that they become motherhood or so detailed that they unnecessarily take degrees of freedom away from management)
5. Prioritized in terms of urgency and timing
6. Clearly identifying the unit that is supposed to take action on the recommendation
7. Actionable, feasible and reflect an understanding of potential constraints to implementation, and
8. Capable of being monitored using verifiable indicators, and time bound when specific, monitor-able actions are expected to be taken
9. Relatively few in number, generally 5 to 6 per evaluation (with not too many sub recommendations), covering resource allocation, financing, planning, implementation, and monitoring and evaluation
10. Consider the least cost alternative of achieving the objectives and whether the benefits resulting from the recommendations exceed the likely cost of implementation, based on existing evidence or the literature

As regards the **timelines for the development of recommendations**, most evaluation functions have not defined a specific timeframe for this particular stage of the evaluation process. However, there may be timelines for the overall process or certain deadlines that ensure its timely completion. For example, there is often a fixed timeframe for when services/management should provide feedback on the draft evaluation report and the draft recommendations. For example, at the EIB, EV indicatively allocates 7 weeks from the submission of the draft evaluation report to the end of the consultation rounds with services and management functions.

3.3 Case studies

The following case studies have been selected with the objective of exemplifying how particular policies, practices or tools can contribute to positive outcomes for the process of formulating recommendations.

3.3.1 Case study on the recommendations template used by GOED / IsDB

Background: Group Operations Evaluation Department (GOED) has been the independent evaluation function of the Islamic Development Bank since 2009 (prior to that, it was called the Operations Evaluation Office which was established in 1991). GOED has been working continuously on developing its evaluation capacities and sought to address the issue of varying quality in the formulation and management of the implementation of evaluation recommendations. In 2016, GOED hired an external consultant to assist in addressing this issue.

Practice in focus: The GOED and the external consultant undertook several activities for addressing the noted concerns. GOED issued a *guidance note* on the processes for defining, formulating, disseminating and reporting of lessons learned and recommendations to be applied by GOED evaluation specialists and operations staff.

The note defines the key objectives of recommendations as well as criteria for the quality of recommendations. It also provides a *template* (see Table 4) which should be used for all key recommendations issued by an evaluation.

Recommendation Element	Text: Specific action or task to be undertaken by the key stakeholder to address any deficiencies observed from the evaluation of the intervention which will have substantial improvement impact on operational processes, achievement of outcomes, or impact and sustainability, in particular: <ul style="list-style-type: none"> ▪ What should the Islamic Development Bank do differently? ▪ How would the Islamic Development Bank do it differently? ▪ Why would the Islamic Development Bank do it differently? 	Is it an Exemplary/ Good Practice?
Recommendation's Implications	What aspects of the Islamic Development's Bank work and activities this recommendation has implications on: (i) design and implementation (appraisal, due diligence, design, structuring, monitoring and evaluation,) or (ii) policies and strategies. If possible, point out any relevance to the broader Islamic Development Bank mandate or broader operational, sector or country activities.	
Targeted Key Stakeholders	Cite potential targeted key stakeholders affected by the recommendation. Who in the Islamic Development Bank should have the responsibility for putting the recommendation and follow-up action into practice?	
Replication and Up-Scaling	Describe any potential for replication and up scaling that the recommendation will lead to.	
Key words	Write the key words relevant to the recommendation.	

In addition to developing this supporting material, the external consultant delivered a group *training* session to GOED evaluators as well as individual training. For the latter, the consultant and the participating evaluator would together analyse recommendations previously issued by the evaluator and discuss ways of improving them in line with the new standards.

Lessons learned: According to a representative of GOED, although there has not been a comprehensive evaluation of the results of the introduced initiative, anecdotal evidence suggests that the outcomes have been positive. Interviewed operational staff of the IsDB noted their preference for specific recommendations over general ones and indicated that the definition of actions provided an incentive for implementation.

According to a representative of GOED, the practice needs to evolve further, specifically by defining more requirements for engaging service counterparts in the evaluation and recommendation formulation processes so as to produce more useful recommendations and ensure their implementation in the post-evaluation.

3.3.2 Case study on ADB technical meeting on recommendations

Background: The Independent Evaluation Department (IED) has, since the Fall of 2016, held technical meetings between IED and operations management to discuss recommendations in draft evaluation reports, prior to the finalisation and tabling of the report to the Development Effectiveness Committee (a sub-committee of the Board of Directors).

Practice in focus: The practice was suggested by the recently appointed Director General of IED as a way to improve the clarity and quality of recommendations, as well as the communication between evaluators and evaluatees, in order to have fewer “surprises” in the final stages of the process. There are three steps to the process: (i) circulation of the draft evaluation, inviting interdepartmental comments; (ii) meeting with the Heads of Department to discuss the revised draft evaluation; (iii) technical meeting on the recommendations. The technical meeting takes place after the meeting of the Heads of Department and before circulation to the Board / DEC.

The purpose of the technical meeting is threefold:

1. To ensure clarity on the substance of the recommendations;
2. To ensure that the recommendations are evidence-based; and

3. To ensure that the recommendations are actionable.

Ultimately, this should lead to better action plans, which are more aligned with the intent of the recommendation. Operations may express their concerns and disagree, but it is IED who ultimately decides on what recommendations are put forward. The persons who take part in the meeting may vary, but there are representatives of the service functions, and the Strategy, Policy and Review Department (SPRD), which, as management's counterpart to the IED, coordinates the process of formulating management responses.

Lessons learned: At the time of writing, three major reports had gone through a technical meeting on recommendations. Overall, the meetings were appreciated and seen as a good development of the process, leading to closer interaction and better communication between the evaluators and their counterparts. Early results suggest a higher acceptance rate of recommendations compared to earlier evaluations, but it remains to be seen if the practice also translates into better action plans.

3.4 Synthesis of lessons learned

The analysis of the information provided through interviews suggests that there are a number of common challenges in formulating recommendations as well as common factors that contribute to positive outcomes.

One of the main challenges for the usefulness of recommendations is **avoiding cases in which services/management consider the recommendations to be too general or too narrow**. In some cases, there is an institutional preference for more specific recommendations (e.g. ISBD) while, in others, the evaluators' general policy is to leave the operationalisation of the recommendation to the management and service functions (see IEG checklist for good recommendations, Box 2).

Representatives of service and management functions tend to point to a lack of **consideration (on the evaluators' side) of the timeliness, costs and contextual conditions** as a common obstacle to the relevance and usefulness of recommendations.

Another common challenge concerns providing **sufficient opportunities for the engagement** of the service and management functions in the evaluation process, including for their provision of feedback on the recommendations, **while maintaining the evaluators' independence** in the overall process. A common issue raised by management and services is that, apart from accepting feedback on factual corrections, the evaluators are often reluctant to accommodate well-reasoned suggestions for the revision of recommendations. On the other hand, it is essential for evaluators to have the independence to formulate findings, conclusions and recommendations based on their assessment of the evidence. As a result, a "natural tension" arises between the evaluation function and its counterparts and most of the evaluation functions consulted for this assignment were keen to emphasise that agreement on the recommendations is not the ultimate objective or indicator for the success of the process.

Furthermore, some representatives of evaluations functions reported cases where despite the presence of opportunities to engage, services/management were not willing or able to do so. That being said, according to the cases considered in this study, for those processes characterised by fewer formal or informal means of consultation between the evaluators and the service/management functions, it is more common to have situations in which there is disagreement between evaluators and their counterparts on the recommendations; sometimes due to the parties involved having a different understanding of the recommendations, including due to semantics. Hence, one aspect of the process of formulating recommendations that leads to positive outcomes is the provision of **sufficient opportunities for interaction between the evaluators and the evaluated entities**. A dedicated meeting on the recommendations between the evaluators and management/services such as the ones set up in ADB and WBG are found to be beneficial for the process. Naturally, such measures can only be effective in the context of an organisational culture that promotes learning and cooperation between the evaluation, services and management functions.

Overall, there is no “quick fix” to ensure that recommendations are of high quality. The usefulness of the recommendations will depend both on the robustness of the findings and on the quality of the evaluation process. Measures, such as **dedicated meetings on recommendations, as well as guidelines, standards, templates and internal review processes**, can be highlighted as potential practices for ECG members to consider for their respective processes. Further to this, several ECG members are currently exploring innovative practices in this area. For example, GOED (IsDB) is exploring the possibility of developing recommendation scenarios, i.e. pre-empting the consequences of addressing the issues underpinning the recommendations to varying degrees, while IEG (WBG) has been piloting an approach whereby management drafts recommendations for selected evaluations.

4. FORMULATING MANAGEMENT RESPONSES TO RECOMMENDATIONS

4.1 Introduction

For the sake of this report, the ‘formulation of management responses’ is defined as the process through which management functions receive, consider and react to the recommendations resulting from an evaluation.

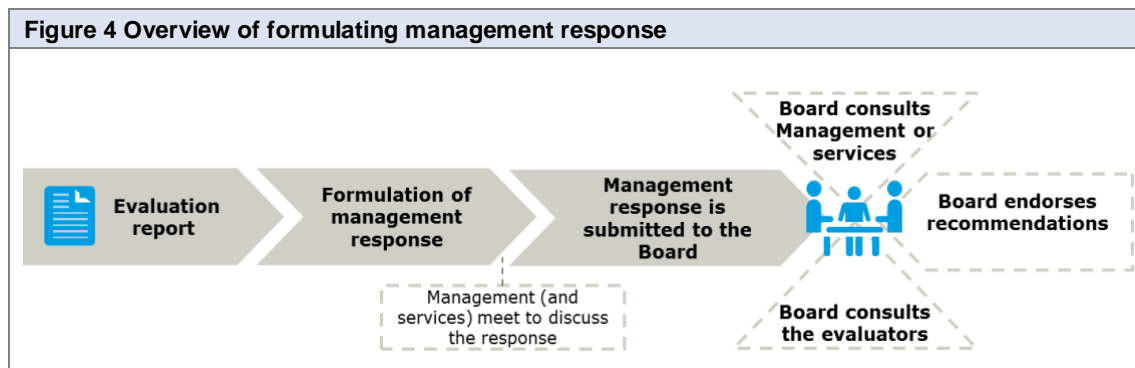
The reviewed academic literature indicates that management responses to recommendations have been studied in the context of evaluation utilisation research, but have not been the focus of any recent publications. A review of empirical literature by Cousins and Leithwood (1986) found that ratings of agreement with evaluator recommendations are considered as an indicator of evaluation use, as it is noted that when evaluation findings were congruent with decision makers’ expectations, their acceptance and utilisation increased. The review also found support for the argument that when decision makers have a greater need for information about the evaluated intervention, their use of the evaluation results increases and so does their tendency to agree with evaluation recommendations. Conversely, there was also evidence to suggest that with more stable interventions, there is lower use of recommendations.

More recently, a review by Johnson et al (2009) found that policy makers often rejected evaluation recommendations because they were not politically, technically, or financially viable.

According to a recent review of evaluation systems in development co-operation conducted by the OECD (2016), 78% (36 out of 46) of the surveyed development cooperation organisations have a formalised management response system.

4.2 Overview of the processes implemented in ECG participating organisations

Figure 4 provides an overview of the steps leading up to the formulation of management responses to the recommendations issued by an evaluation.



Source: Ramboll Management Consulting

Note: The dotted lines indicate elements in the process, which are not applied systematically across all institutions.

The following table offers further detail on the main features of the process in each of the ECG member organisations participating in this review.

Table 3 Preliminary overview of the process of formulating management responses							
	ADB	EIB	GEF	IDB	IFAD	IsDB	WBG
Presence of policy/ guidelines	Formal policy + Working document	Formal policy + Draft Formal policy	Formal policy	Formal policy	Formal Policy	Formal policy	Working document
Entity responsible for the process	Management	Management + Services	Management	Services + Management	Management	Management	Management + services
Other roles in the process	Responsibility is shared between relevant departments and centralised management entity - the Strategy, Policy and Review Department.	Management Committee (MC) discusses and signs off on the response prepared by services before submitting it to the Board.	Evaluation unit verifies the quality of management responses prior to submission to the GEF Council.	The IDB Board issues endorsements for the evaluation recommendations that are to be implemented by management.	In country evaluations, management & the country government prepare a joint response – Agreement at Completion Point (ACP).	Centralised management entity collects responses from management for the Annual Evaluation Report.	Centralised strategy and risks departments in WBG collect feedback from the technical units.
Involvement of the organisation's board(s) in the process	Yes. Development Effectiveness Committee (DEC) of the Board of Directors discusses the response.	Yes. The Board of Directors discusses the management responses.	Yes. The GEF Council discusses management response and issues decisions on recommendations to be implemented.	Yes. The IDB Board considers management response and decides which recommendations should be implemented.	The ACP is annexed to the COSOP submitted to the Board, so it can assess whether the recommendations have been adequately included.	Yes. The IsDB Board is the recipient of the Annual Evaluation Report.	Yes. The management response is finalised by Management following discussions with CODE
Requirements for management to meet & discuss the recommendations	Both recommendations and management response are discussed at the DEC meeting.	The MC meets to discuss and sign off on the management responses.	Meetings may be held in the context of ad-hoc working groups	The technical review meeting and informal meetings are used to prepare the response.	In practice, discussions take place in the mandatory workshop for country evaluations.	-	Yes. Between management/ services/ IEG prior to CODE
Requirement for management response	Yes	Yes.	Yes.	Yes. Exception: evaluations sent to the Board for information only	Yes.	Yes.	Yes.
Presence of templates/tools for management response	Management Response is in the form of a memo indicating full, part or non-acceptance of the recommendations.	The response to each recommendation must start with the words "not agreed", "partially agreed" or "agreed".	Management response classifies recommendations as accepted / partially accepted/ rejected and explain the reasons.	Matrix-style template indicating either agreement or disagreement with the justification for each of the recommendations.	The ACP follows a standard format.	No specific template. Management response is obtained in writing indicating areas of agreement and disagreement.	Yes. There is a template for the Management Response and for the Management Action Record Table that is part of all IEG major evaluations.
Presence of an (IT) system to facilitate the process	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.	There is no specific IT system to facilitate this.
Timelines for the process	No general timeline, prepared prior to DEC meeting	Responses to be approved approx. 4 weeks after the MC receives the report.	Response is to be provided within approx. 2 weeks of receiving the report.	At least five (5) working days prior to the Board Committee meeting.	For CSPEs - within 2 months of the workshop.	Response is to be provided within 1 - 2 weeks of receiving the report.	The Management Response is finalised within 90 working days after the CODE discussion and is tied to the issuance of the CODE Green Sheet, which is the summary of the CODE meeting.

Source: Ramboll Management Consulting

The ECG members participating in this review have in many cases laid down a **policy/guidelines for management responses to evaluation recommendations**, either via formally adopted policies/documents (EIB, GEF, IFAD) or working documents (ADB, IDB, WBG). Furthermore, the **formulation of management responses is mandatory** for large-scale country, programme and/or thematic evaluations.

The **entity responsible for the process** usually represents the management function (ADB, GEF, EIB, IFAD, IsDB, WBG) and is typically a centralised unit that serves as the liaison between management, services, evaluation and the Board in this process. For example, at ADB, the Strategy Policy and Review Department (SPRD) is responsible for coordinating and consolidating input from management and services, prior to the meeting at the Development Effectiveness Committee (DEC).

In some cases, however, a service function unit may also be involved in preparing the management response (EIB, IDB, WBG). For example, at the IDB, a Lead Department from the service functions is responsible for coordinating services' input from different units throughout the evaluation process, which includes preparing the overall management response. The Office of Strategic Planning and Development Effectiveness of IDB plays a quality assurance role in that it reviews management responses in order to ensure their consistency (see case study in section 4.3.1). At the EIB, while Management (the Management Committee) is ultimately responsible for the management response, the service unit subject to the evaluation prepares the draft response.

Some differences emerge in the extent to which the Boards of the institutions are involved in the preparation of management responses. In most cases, the Board receives the evaluation, its recommendations and the management response and may discuss these, but does not necessarily arbitrate in cases where there is disagreement between the evaluators and the management. In such cases, the management response typically determines which recommendations will be implemented. In some of the participating institutions, the Board approves or endorses management responses. For instance, in the case of the IDB, the Board is the entity that ultimately endorses the recommendations that are to be implemented by management. Similarly, the GEF Council issues council decisions on the recommendations that are to be implemented at the GEF. At WBG, the Committee on Development Effectiveness (CODE), which is a sub-committee of the WBG Board of Directors with oversight of the IEG, discusses and approves management responses.

In terms of other roles in the process, it is interesting to note that in GEF, the independent evaluation office reviews management responses (the justifications provided for agreement/disagreement) to ensure that recommendations have been addressed and have a chance of being implemented (no subsequent action plan is required). Another interesting approach is the one taken at IFAD for Country Strategy Programme Evaluations, where the response is an agreement by the IFAD Management and the country government to follow up on the recommendations that, according to representatives of IFAD, is an arrangement that contributes to improving the usefulness and implementation of recommendations. In other institutions, action plans are used to operationalise the management response (see Section 5.2.1)

As concerns the specifics of the process through which management responses are formulated, in most cases there are no defined **requirements for management to meet in order to prepare the management response**, but interviews with stakeholders indicate that there is a common practice. For example, at the EIB, the services draft the response and members of management formally discuss and provide feedback on it during the Management Committee meeting. At the ADB, both recommendations and Management Response are discussed at the Development Effectiveness Committee (DEC) meeting (the DEC is a subcommittee of the ADB Board of Directors).

Generally, no **template** is used for the formulation of management responses, but in some cases there are dedicated documents (e.g. memos) through which the management response is issued (ADB, IsDB) or the evaluation reports feature dedicated sections in which the management response is to be inserted (EIB). The management response can be categorical (agree/disagree), as is the case at IFAD, or allow for "partial agreement" (ADB, EIB, GEF, IDB, WBG). According to interviews with representatives of different institutions, partial agreement with the

recommendations often creates ambiguity as to how it is to be implemented and how this implementation is to be assessed.

Generally, there are no dedicated **IT systems** for this process. The exchange of information between the participating stakeholders takes place via email. Once the management response has been finalised, it is entered into the IT systems supporting the next steps in the process, where such are available. At the EIB, management responses are entered into the system only after the action plans for the implementation of the recommendations have been developed.

In most cases, the available policies/guidelines or practices specify **timelines** for the formulation of management responses. In some of the institutions (IDB, ADB), the timelines are tied to Board meetings in which the evaluation report/management response are to be presented or discussed. For example, at IDB, the document with consolidated management responses prepared by the Lead Department should be distributed to Executive Directors at least 5 working days prior to the corresponding Board Committee meeting. In other institutions, the timelines are set with reference to the date of submission of the evaluation report and are in the range of 2 weeks (GEF, IsDB) to 4 weeks (EIB).

4.3 Case studies

The following case study has been selected with the objective of exemplifying how particular policies, practices or tools can contribute to positive outcomes for the process of formulating recommendations.

4.3.1 Case study on the approach to formulating management responses at IDB

Background: The process of formulating management responses at the IDB is described in the “Procedures to review, respond and follow-up on evaluations prepared by the office of evaluation and oversight” issued by the Office of Evaluation and Oversight (OVE). The process is interesting for the following reasons.

- First, it involves multiple functions in the Bank, enabling the project team to study the variety roles in the process.
- Second, it offers an interesting case study of a management response mechanism that includes a role for the Board of Directors, which is the final decision maker on the recommendations that should be implemented.

Process in focus: The process of formulating management responses formally starts after the submission of the final evaluation report by the evaluation unit. However, the stakeholders are already made aware of the main recommendations during their review of the draft evaluation report, to which they can provide written feedback and discuss at a dedicated meeting. Once the final report has been issued, a Lead Department from the Service functions takes primary responsibility for drafting the management response. The Office of Strategic Planning and Development Effectiveness (SPD) takes on this role in certain cases but, generally, it acts as a quality assessor. In corporate evaluations, once reviewed by SPD, the management response is “cleared” with the Executive Vice President and the Office of the Presidency and submitted to the Office of the Secretary for distribution to the Executive Directors with a minimum of five working days prior to the meeting of the corresponding Board Committee.

In preparation for the Board meeting, OVE prepares an audio-visual presentation of the evaluation. The presentation is posted on SEC’s website and submitted to the Directors at least two working days prior to the meeting. OVE also prepares a brief summary of the evaluation and sends it to senior management, including the President of the Bank, at least one working day prior to the scheduled Board presentation.

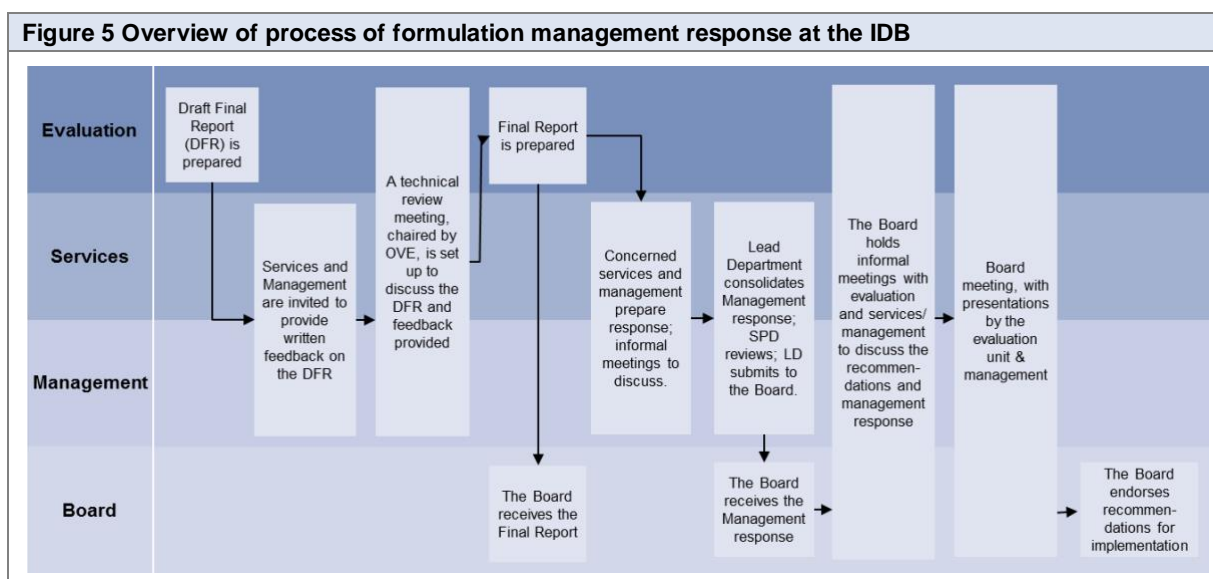
There is an informal practice whereby the responsible Board committee members may take the initiative to set up a pre-meeting with services/management as well as the evaluators to discuss the recommendations and management response. These meetings help the Board members

understand better the reasons for disagreements between management and evaluators on certain recommendations and supports them in making decisions on which recommendations to endorse.

During the Board meeting, OVE presents the main findings, suggestions or recommendations of the evaluation. Management verbally shares a summary of its response to the evaluation. In some cases, management may also opt for an audio-visual presentation. Following their presentations, OVE and management address questions raised by Committee members during the meeting.

The Board considers OVE evaluations and decides which recommendations IDB management should implement.

A summary of the process is presented in the following figure.



Source: Ramboll Management Consulting

Lessons learned: The process involves multiple stakeholders, reflecting the specifics of the IDB's organisational and governance structure. A positive aspect of the process is that it provides a mechanism to deal with cases of disagreement between management and the evaluators on the recommendations, and clearly anchors responsibility and decision making at the highest level of authority (the Board). Only those recommendations endorsed by the Board are to be implemented and it could be the case that the Board endorses a recommendation that was initially rejected by management. Generally, the effectiveness of such a resolution mechanism will depend on the degree of independence of the different functions involved as well as the organisational environment. In an organisation operating in a highly political internal and/or external environment, the process may be influenced negatively by the political incentives of the stakeholders involved.

4.4 Synthesis of lessons learned

The processes in place in the different institutions largely apply the same logic, with an established procedure in place for management to respond to the evaluation recommendations. According to the interviews carried out with different stakeholders in the process, it is important that the roles and responsibilities of different entities are clearly defined. In those cases where a **central coordination and/or policy unit** oversees and/or coordinates the input from different parts of the organisation, this can increase the quality and consistency thereof, although it may also become a bottleneck for institutions producing a high number of evaluations each year. A set up in which both **services and management** are involved in signing off on the management response can increase ownership and strengthen engagement with the next steps. The overarching governance function (Board of Directors and/or equivalent) discusses evaluation

reports and management responses and, in some cases approves/endorsees the management response (see case study in section 4.3.1). In these cases, the interviewees offered mixed views on whether such a role improves the effectiveness of the overall process. The influencing factors for effectiveness relate to the level of resources available to Boards to carry out this function, whether it is sufficiently involved in the institution's work to be able to take an informed decision while ensuring its independence from management.

A higher quality of management response, in terms of extent to which it fully addresses the recommendation, can be expected when those drafting the management response are aware of the subsequent translation of the management response into action plans ahead of the follow up assessment and reporting on implementation. The consultation of the evaluation function on the management response, a practice used by the GEF, presents an additional opportunity to ensure aligned understanding of the recommendations. According to a number of interviewees, some disagreements between management and the evaluators on the recommendations could be prevented if the two sides have **sufficient opportunity to discuss the recommendations** and ensure they fully grasp one another's positions.

While the overall processes are well-established, common challenges appear across the institutions. From the evaluators' side, there tends to be a perception of management responses being too superficial or **not sufficiently linked to the intent of recommendations**, or that responses are agreed upon "on paper" but, in reality, recommendations are not fully implemented. To counter such tendencies, some of the institutions have taken measures to ensure some oversight over management responses, either through a high-level management or governance body, or by involving the evaluation function in reviewing management responses or subsequent action plans.

Another challenge relates to the timeliness of recommendations, as it was mentioned that management would often claim that changes had already been made or were already being implemented, rendering recommendations obsolete. Nevertheless, in such cases, some representatives of evaluation functions noted management and service functions might be reluctant to attribute change to evaluation recommendations.

Lastly, on the acceptance or agreement in management responses, the **option of partial acceptance appears to have both positive and negative aspects**. While partial agreement can be used to water down recommendations, by disregarding certain parts, it also enables management to respond positively and take on board recommendations that would perhaps otherwise be rejected.

5. FOLLOWING UP AND REPORTING ON THE IMPLEMENTATION OF RECOMMENDATIONS

5.1 Introduction

For this study, the **process of following up and reporting on the implementation of recommendations** is defined as the actions taken on the basis of management responses to evaluation recommendations, and the monitoring of the degree of implementation of the recommendations. In connection to this, the presence and use of **feedback loop mechanisms** and the approach to the **publication and dissemination** of evaluations, recommendations, management responses and action plans is also discussed.

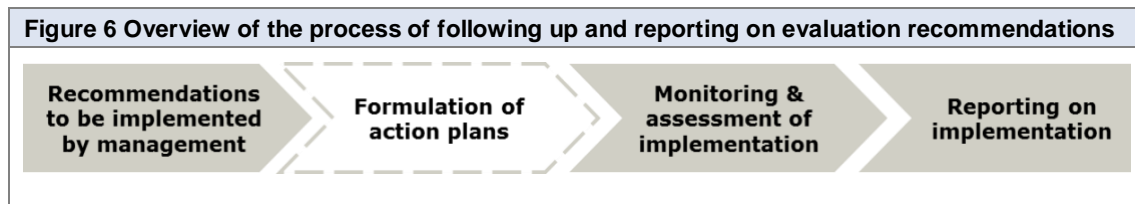
According to the review of evaluation systems in development co-operation conducted by the OECD in 2016, 88% of the surveyed development cooperation organisations that have a formalised management response system also have a follow-up procedure to monitor the implementation of accepted evaluation recommendations (OECD, 2016).

According to the same review, the dissemination of information in connection to evaluations more broadly, but also specifically to recommendations, management responses and follow-up reporting is increasing. 95% of all surveyed organisations reported that they systematically publish the results of evaluations on their evaluation websites. Furthermore, 60% of all surveyed institutions routinely make management responses publicly available.

5.2 Overview of the processes implemented in ECG participating organisations

5.2.1 Follow-up and reporting on the implementation of evaluation recommendations

Figure 6 provides an overview of the process of following up and reporting on the implementation of evaluation recommendations.



Source: Ramboll Management Consulting

Note: The dotted lines indicate elements in the process, which are not applied systematically across all institutions.

The following table offers further detail on how these processes are carried out in the ECG members and observers participating in this Working Group.

Table 4 Preliminary overview of the process of following up and reporting on recommendations

	ADB	EIB	GEF	IDB	IFAD	IsDB	WBG
Presence of policy/ guidelines	Working document	Formal policy + Draft Formal policy	Formal Policy	Formal Policy	Formal Policy	Working document	Working document
Entity responsible for the process	Management for monitoring implementation; IED for reporting to DEC/ Board	Services for formulating and implementing actions plans; EV for reporting	IEO	Services for action plan and monitoring implementation; OVE for assessing progress and reporting to the Board	Management / Programme Management Department Front Office	Management for monitoring implementation; GOED for reporting to the Board	Management for monitoring implementation; IEG for reporting to the Board
Roles in the process	ADB Management follows the process, approves actions and ensures follow up is undertaken. IED validate, follow-up and report on progress.	Services prepare action plans based on input from MC and BoD and ensure implementation. EV reports based on information provided by the Services. The MC and Board receive the report for discussion / action.	In consultation with the appropriate GEF partners, the IEO and the GEF Secretariat report to the Council on the follow-up of Council decisions.	Management ensures the preparation, validation and tracking of action plans by Services. OVE assesses progress made by management in implementing recommendations endorsed by the Board based on information contained in management action plans (assessing relevance and implementation status).	Management prepares the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) based on input by services. IOE comments on this.	GOED collects information from Management to prepare the Annual Evaluation Report.	WBG Management develop action plan, which is commented by IEG before submission to CODE.
Involvement of the organisation's board(s) in the process	DEC discusses the consolidated report on implementation.	The BoD receives a report on implementation twice a year for discussion.	The GEF Council is the recipient of information on implementation.	The Board considers OVE's reports on implementation and Management's comments.	Evaluation Committee and Executive Board comment on PRISMA	The Board received an annual report.	Yes. CODE receives the action plans through CODE quarterly updates from IEG and the implementation updates as part of IEG's annual flagship report.
Requirement for formulation of an action plan for follow-up actions	Yes. For all accepted or partially accepted recommendations. Management formulates and uploads a time bound action plan into the MARs for the formulated action plans.	Yes. For all recommendations that are agreed and partially agreed. The action plans are discussed with EV.	No formal requirement for an action plan in response to decisions of the Council.	Yes. For each recommendation endorsed by the Board. The action plan outlines key steps to be taken to implement the corresponding recommendation.	No requirement.	No requirement.	Yes. Management Action Plans should include specific steps, measurable indicators, targets and timeline for reaching the objective(s) stated in the Management Response and should be in line with IEG's recommendations.

	ADB	EIB	GEF	IDB	IFAD	IsDB	WBG
Requirement for monitoring the implementation of follow up actions	Yes. Two-stage assessment by implementing department and IED at due date of action.	Yes. EV solicits the Services to provide evidence on the implementation of recommendations quarterly and validates accordingly.	Yes. Two-stage annual assessment of the status of implementation of Council decisions based on recommendations.	Yes. Two-stage assessment by Management and OVE as per guidelines. However, management has not yet performed self-assessment of progress in implementation of follow up actions.	Yes. Management reports annually on the implementation status of recommendations made to IFAD (and not on those directed to the government) in the PRISMA.	Yes. Management is to track implementation and inform the Board about progress.	Yes. Two-stage assessment. Management and IEG rate separately the overall progress made vis-à-vis the Action Plan.
Presence of tools or templates to facilitate the process	Use of the MAR system to track and report on implementation of actions	A new application based on Microsoft SharePoint is being rolled out.	There is a template for the reporting on implementation.	The ReTS guided the format so far and currently Excel based templates are used.	Excel-based templates are used.	Excel-based templates are used.	The internal MAR database helps facilitate the process.
Presence of an (IT) system to facilitate the process	MARS system (Lotus Domino Platform)	A new application based on Microsoft SharePoint is being rolled out.	-	The current IT system - ReTS is currently being updated/revised.	-	-	The internal MAR database helps facilitate the process.
Requirement for reporting on the implementation of follow up actions (e.g. in Annual report)	Yes. IED validates the self-assessment on actions. The IED reports on implementation progress in the Annual Evaluation Review (AER), which is a public document.	Yes. EV reports quarterly to the MC and twice per year to the BoD.	Yes. Management action record is provided to the Council on an annual basis.	Yes. OVE's final assessment is reported to the Board and posted in the ReTS Portal, together with Management's comments on the same. OVE's Annual Report provides summary.	Yes. Annual President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA).	The Annual evaluation report (AER) summarises the status of implementation of recommendations made in the year leading up to the report.	Yes. Annual updates on the progress of implementation become part of IEG's annual flagship report
Timelines for following up on recommendations	Action plans within 60 days of management response or DEC meeting; No overall time frame to implement, but each action needs to have targets and timelines (due date).	8 weeks are indicatively allocated to the formulation of an action plan. No overall time frame to implement but each action needs to have due dates.	No overall time frame for implementation, but the implementation of a decision is generally tracked for 4-5 years.	Action plans within 90 working days of the Board Committee's consideration of the evaluation. The action plan should be implemented within 4 years.	No overall time frame for implementation.	No overall time frame for implementation. Actions are only tracked for one year.	Draft action plan within 90 working days of the CODE meeting. Implementation of the action plans are tracked (annually) for 4 years, after which they are retired.
Timelines for reporting on the take-up	Semi-annual updates on progress. Annual reporting (AER).	Quarterly/semi-annual reports on the uptake of recommendations	Annual Management Action Record (MAR) report	Annual assessment of implementation status in OVE's Annual Report.	PRISMA is published annually.	Annual reporting (AER).	Annual tracking

Source: Ramboll Management Consulting

The ECG members participating in this review have laid down **policy/guidelines in relation to the follow-up to evaluation recommendations** either via formally adopted policies/guidelines (EIB, GEF, IDB, IFAD) or working documents (ADB, IsDB, WBG). The policy/guidelines may cover different steps of the process, from the preparation of action plans, to the ongoing provision of information on implementation and to the periodic reporting on the status of implementation.

Among the studied institutions, there are different approaches for defining the **responsibility and roles** for the follow up process. In those institutions where there are requirements for the **formulation of action plans** for the implementation of recommendations (ADB, EIB, IDB, WBG) – the responsibility for this typically rests with management or services.

In the phase of providing information for the **monitoring of implementation of recommendations** or action plans, the responsibility is again generally with the implementing entity, which self-assesses the status of implementation. However, in some cases (ADB, EIB, GEF, IDB, WBG) there is a second step of the process in which the evaluation functions validate the self-assessment. For example, at IDB, OVE rates the relevance and the implementation status of each action, as well as its general adoption (see Figure 8). The World Bank rates implementation status yearly and, at the ADB, implementation is rated at the due date of the action. At the EIB, a panel assesses the implementation of action plans on the basis of the following four-point scale: implemented, in progress, no progress, and overtaken by events (see case study in section 5.3.2 for further detail).

Furthermore, the coordination of the process of reporting on implementation may be in the remit of either a centralised management entity (ADB, IDB, IFAD) or the evaluation function (EIB). Similarly, **the report on the implementation status of recommendations** may be prepared by either management (IFAD) or the evaluation function (ADB, EIB, IDB, IsDB).

For example, ADB management is responsible for ensuring that the implementation of evaluation recommendations is periodically tracked. ADB’s Independent Evaluation Department (IED) is responsible for reporting to the ADB Board of Directors’ Development Effectiveness Committee, with a copy to the full Board through the chapter in the Annual Evaluation Review on the Management Action Record System (MARS).

As already mentioned, a number of institutions have set **requirements for how an action plan for following-up on recommendations should be formulated** (ADB, EIB, IDB, WBG). For example, at WBG, management is responsible for developing and finalising the Management Action Plan, which should include specific steps, measurable indicators, targets and a timeline for reaching the objective(s) stated in the Management Response. Management’s Action Plans should be clearly aligned with the Management Responses and IEG’s recommendations. The actions should be specific, measurable, achievable, relevant, and time bound. The EIB’s guidelines for action plans are presented in Box 3.

Box 3 EIB action plans
<p>Action plans should clearly state:</p> <ul style="list-style-type: none"> ▪ The actions to be taken; ▪ The timeline for the implementation of the actions; ▪ The type of evidence that will be provided to show the action was implemented; ▪ The specific Service taking the lead in implementing or coordinating the actions for that recommendation, including a clearly Designated Counterpart for the follow up process.

An example of a template for an action plan is presented in the following figure. The template was recently introduced by IDB's Office of Strategic Planning and Development Effectiveness (SPD) and is currently being discussed with the Office of Evaluation and Oversight.

Figure 7 IDB Action plan template

INITIAL INTAKE - ACTION PLAN STAGE									
Recommendation									
Agreement	Management Response			Main Issue(s) to Address			Board Meeting Comments		
Output/ Result									
Lead		Delegate		Release Date		Final Due Date			
Output Targets	Yearly Milestones					Related Activities to Achieve Outputs	Lead	Delegate	Final Due Date
	Year 1	Year 2	Year 3	Year 4	...				
1									
2									
#									
#									
#									
#									

Source: IDB SPD

The role of evaluation functions in the development of action plans varies. In several institutions (WBG, EIB) the evaluation services may be consulted on the plans prepared by services and management. At the WBG, the plan is reviewed by and commented on by IEG, but management is not obliged to take on board the comments or seek IEG's approval of the final action plan. Similarly, at the EIB the action plans prepared by the services functions are sent to and discussed with EV, giving EIB's evaluation function the opportunity to share their views on whether the action plans appropriately address the evaluation's recommendations.

In some of the institutions participating in this assignment there is no requirement for an action plan (IFAD, GEF, IsDB). Interviews with representatives of these institutions indicate that the rationale for this reflects the specifics of their business model and the approach to evaluations. For example, at IFAD, most of the conducted evaluations are Country Programme Evaluations, which are cyclical in nature and are timed so as to pre-empt the next Country Programme. The new Country Programme should plan for measures that will lead to the implementation of the recommendations and therefore serve as a de-facto action plan.

In several cases, there are set **timeframes for the development of action plans** in response to the recommendations that are to be taken up by management. These vary from approximately 8 weeks in the case of the EIB to 90 working days in the case of the IDB and WBG. In the case of GEF, IsDB and IFAD, since there are no formal requirements to develop action plans, it is understood that the timeline for implementation depends on the timing for the next possibility to address the recommendation – e.g. in the next country programme, which would typically be timed after the results of the evaluation.

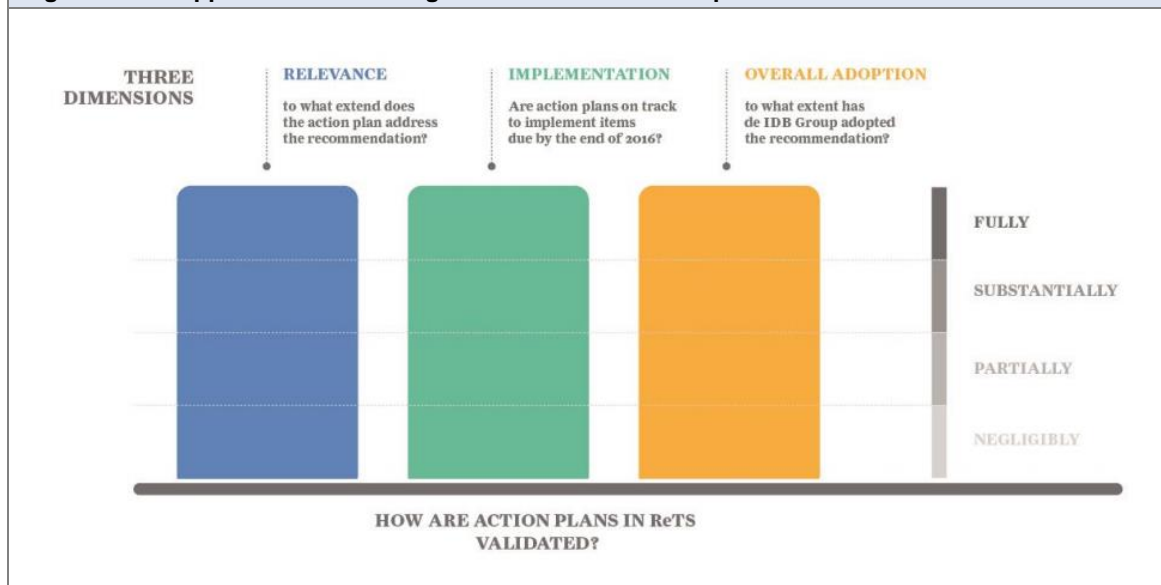
When it comes to **assessing the implementation of recommendations**, the basis used for assessment depends on whether action plans are a mandatory requirement or not.

At the institutions in which there is no requirement for action plan formulation, the assessment is based on the original recommendations (IFAD and IsDB) or in the case of the GEF – on the decisions adopted by the GEF Council.

At the institutions with mandatory action plan formulation, the assessment of implementation tends to take both the action plan and the recommendation into consideration. This is illustrated by the approach used in the IDB, where OVE's assessment of implementation examines three dimensions:

- The relevance of proposed actions plans (see the following figure);
- The degree of implementation of actions due at the date of assessment; and
- The overall level of adoption of recommendations for action plans reported by management to be completed at the date of assessment.

Figure 8 OVE approach to assessing the relevance of action plans



Source: OVE IDB

At the WBG, the assessment of implementation is also based on action plans, and the IEG and Management see each other's ratings only once they finalise their assessment (see case study in Section 5.3.3).

At the ADB, the benchmark for assessing implementation has been subject to an ongoing discussion, particularly in cases where there is a perceived disconnect between the recommendation and the action plan. Actions are described as successful if they have been fully or largely implemented, and unsuccessful if partially or not implemented - (i) an action plan that is 100% implemented is rated as fully implemented; (ii) if the extent of implementation is greater than 67% but less than 100%, the action plan is largely implemented; (iii) if the extent of implementation is from 33% to 67%, the action plan is partly implemented; and (iv) if the extent of implementation is less than 33% or the recommendations is no longer relevant, the action plan is rated not implemented. In addition, if the spirit of the recommendation has not been satisfied, the rating could be downgraded. According to representatives of the institution there is a need to clarify the basis of assessment and implement a mechanism through which IED can comment on or review the action plans in order to ensure that actions are aligned and relevant to the recommendations put forward.

As already mentioned, in many cases the institutions have adopted a **two-tier approach to assessing implementation** where, in addition to the self-assessment by management, there is also a validating assessment by the evaluation function (see case study on the EIB's approach to this in section 5.3.2 for more details). Typically, the evaluation function makes its assessment based on the information reported by Management, and, in most cases, it is possible for the evaluators to request additional evidence in order to validate management's assessment. Nevertheless, there are cases in which the assessments of the two sides differ. Box 4 presents

the rating approach used by the GEF and the way the ratings made by the GEF IEO and GEF Management differed in a given reporting year.

Box 4 Approach to rating implementation at the GEF

For each tracked GEF Council decision that is reported on, self-ratings are provided by GEF Management on the level of adoption along with commentary as necessary. Ratings and commentary on tracked decisions are also provided by the GEF IEO for verification. Categories are as follows:

- High: Fully adopted and fully incorporated into policy, strategy or operations.
- Substantial: Decision largely adopted but not fully incorporated into policy, strategy or operations as yet.
- Medium: Adopted in some operational and policy work, but not to a significant degree in key areas.
- Negligible: No evidence or plan for adoption, or plan and actions for adoption are in a very preliminary stage.
- Not rated: ratings or verification will have to wait until more data is available or proposals have been further developed. (f) N/A: Not-applicable (see commentary).

The IEO’s annual Management Action Record report provides an overview of the results of the assessment by IEO and management, including through the following figure:

Table 1: GEF Management and GEF IEO ratings of adoption of Council decisions assessed for MAR 2016.

		High	Substantial	Medium	Negligible	Number of Management ratings
Management ratings	High	1	—	—	—	1
	Substantial	—	4	2	—	6
	Medium	—	—	3	—	3
	Negligible	—	—	—	—	-
	Not Rated	—	1	—	—	1
Sum of GEF IEO ratings		1	5	5	—	11

Note: Highlighted cells show agreement between GEF Management and GEF IEO ratings. Values to the right of highlighted cells represent higher ratings by Management than those provided by the IEO, except in cases where a rating of “not rated or possible to verify yet” is given.

The reviewed institutions have also adopted **requirements for reporting on the implementation of follow up actions**, usually through the publication of periodic reports. These tend to be annual reports (ADB, GEF, IsDB, IFAD, WBG) and the responsibility for preparing them rests with the evaluation functions as part of the annual evaluation reports they produce. In IFAD, however, information about the implementation of recommendation is reported in the Annual President’s Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), which is prepared by the management function. More frequent reports can also be produced. For example, at the EIB, EV prepares a note to the Management Committee (MC) on the implementation status of recommendations on a quarterly basis. This note aims to ensure that the MC is aware of the progress the Bank has made in implementing recommendations, and of any bottlenecks that require the MC’s intervention. EV also prepares a dedicated report for the Bank’s Board of Directors on a half-yearly basis, which includes an annex listing all outstanding recommendations as well as those that reached completion during the reporting period.

A number of ECG organisations that prepare annual reports have recently introduced changes to these with the goal of increasing transparency and accountability. For example, at the ADB, the Annual Evaluation Review (AER) in addition to reporting on the status of actions on recommendations due in the report year, the 2016 Annual Evaluation Review also presented an overview of the status of recommendations on all reports issued during 2011–2015, which allowed for a broader perspective on implementation performance and is expected to lead into joint

learning exercises with Management. A similar 5-year assessment was carried out by OVE (IDB) in their latest report.

A timeline for the implementation of recommendations is applied in several institutions (IDB, WBG, EIB). At the IDB, there is also a **general deadline for the implementation of recommendations** - the action plan for a recommendation should be designed to be implemented over a maximum period of four years. Similarly, at the WBG, the implementation of action plans is tracked (annually) for four years, after which the action plans are retired. At the EIB, recommendations remain part of the active follow up system for at least three full calendar years (even if they were implemented in the meantime). Recommendations that have not been implemented by the EIB within the three full years are mentioned in a separate section of evaluation function's reports to the Bank's Management Committee and Board of Directors. At the ADB, there is no standard timeline, but actions are tracked on their due date, after which they are retired irrespective of whether they are implemented or not.

In some cases, the monitoring of the implementation of follow up actions is typically facilitated by the **use of an IT system** (ADB, EIB, IDB, WBG) while in others, the exchange of information happens via standardised electronic documents, like Excel files (IFAD, IsDB). In the case of the former, monitoring is usually based on web-based applications such as Lotus Domino (ADB) or SharePoint (EIB, IDB) (see case study in section 5.3.1).

5.2.2 Publication and dissemination activities

The following overview aims to capture the extent to which the different ECG organisations participating in the review have elaborated an approach and process for the **publication and dissemination of evaluations, recommendations and their implementation**.

Table 5 Preliminary overview of publication and dissemination activities

	ADB	EIB	GEF	IDB	IFAD	IsDB	WBG
Presence of policy/ guidelines for publication and dissemination of evaluation-related documents	Formal policy	Formal policy	Practice	Formal policy	Formal policy	Formal policy	Formal policy
Requirements for publication of evaluations and recommendations	All evaluation reports are disclosed to the public	All evaluation reports are disclosed	All evaluation reports are disclosed to the public	Evaluations are disclosed to the public in accordance with the Bank's Access to Information Policy.	Evaluation reports are publicly available	Evaluation summaries containing recommendations and proposed follow-up are made public with the full evaluation report	All major evaluations are published
Requirements for publication of management response	Management response is published with the evaluation report on the IED website	The management response is published with the rest of the evaluation.	The management response is published in the annual MAR report	Management responses are disclosed to the public on OVE's website.	Management response is included in the final evaluation reports	-	Management responses are disclosed with IEG's evaluations and are part of the reports that are available in print and on IEG's website.
Requirements for publication of follow-up reports	The AER includes the self-assessment and validation of implementation	Follow-up reports are addressed to the Board and Management Committee but are not made public.	Follow-up on implementation is published in the MAR report	Details of Management action plans and updates in implementation of individual actions are not publicly disclosed, information on implementation status is only made public in summary format in OVE's report assessing implementation status.	PRISMA is publically available.	The Annual evaluation report is publicly available.	Data from the MAR annual updates is discussed through an annual flagship report on Results and Performance of the World Bank Group. The MAR action record database is public.

Source: Ramboll Management Consulting

Generally, the reviewed institutions have formulated a **policy or guidelines for the publication and dissemination of evaluation-related documents**.

In all organisations, evaluation reports are generally made publicly available. There may also be set requirements for the timing or channels for publication and dissemination activities and, in some cases, dedicated activities are undertaken towards particular stakeholder groups.

The management response to the evaluation recommendations is published in connection with the publication of the individual evaluation reports (ADB, EIB, IFAD, WBG) and/or in the context of annual reports which summarise the results of evaluations and the status of implementation of recommendations (ADB, GEF, IFAD, WBG). Such reports are generally addressed to the Board of the organisation but are usually also made public. In the case of the EIB, there are also quarterly reports addressed to the EIB's Management Committee and half-yearly reports addressed to the Board; however, these documents are not made public.

Figure 9 ADB report on the implementation of evaluation recommendations

Independent Evaluation Report Recommendation	Management				Independent Evaluation	
	Response	Action Plan	Actions Taken	Rating	Rating	Validation
Country Assistance Program Evaluation (CAPE) Lao People's Democratic Republic: Sustainable Growth and Integration						
1. Help develop government's integrated medium-term capacity-development programs based on a careful needs assessment, instead of one-off technical assistance (TA), to address systemic and crosscutting issues such as capacity constraints, focusing also on the capacity at the subnational level.	Management agrees with this recommendation. Management appreciates the suggestion to have an umbrella program for capacity development. While Management agrees, in principle, that one-off TAs are not the best way to build capacity and that a more strategic approach is needed, smaller TAs may be more appropriate in some cases to take into account capacity issues.	Approve TA for the Water Resources and Environment Administration (WREA).	The TA for the WREA was approved and was due for completion in October 2015. A cluster program, along with a capacity development project (focusing on a multi-year budget framework and civil service capacity development at central and subnational levels) was approved in 2012 and 2014. Two national TA projects were processed in 2011 and 2012 to strengthen the capacity of the State Audit and Ministry of Planning and Investment to implement regulatory impact assessment.	FI	FI	IED concurred with Management's assessment. Actual completion of the relevant approved 2011 TA to WREA for \$4 million was expected in December 2015.

Source: IED / ADB

5.2.3 Feedback loop mechanisms

One of the objectives of this Working Group is to investigate the extent to which the ECG members and observers have feedback loop mechanisms for improving the formulation of evaluation recommendations and their implementation, based on meta-level consideration of lessons learned.

The review indicates that none of the participating institutions has a formalised feedback loop mechanism specifically for these processes. However, different elements of such a mechanism have been identified.

One example of such a mechanism are the external reviews undergone by some evaluation functions, which have covered the steps of the evaluation process, discussed. Such (periodic) peer reviews/evaluations of the evaluation functions are carried out by IDB, GEF, IFAD, WBG.¹¹ It should be noted that the ECG has developed a Review Framework for the Evaluation Function in Multilateral Development Banks, according to which such reviews should *inter alia* examine the reactions of Management to evaluation work and the uptake of evaluation recommendations. The framework outlines the questions that need to be considered in order to assess different criteria related to the work of evaluation functions – the questions include the following:

- Are the recommendations included in evaluation reports clear and capable of being acted upon and monitored?
- Are there systems in place to ensure the monitoring and tracking of actions taken for implementing evaluation recommendations?

An example of the analysis of these questions can be found in the 2014 Peer Review of the GEF Evaluation Function (see Box 6).

Box 5 Extract from the Report of the second professional peer review of the GEF evaluation function

The Panel found that the IEO efforts to ensure the accountability function of evaluation were more successful than efforts to ensure the learning¹² dimension. As a consequence, not all key stakeholders of the evaluation function have benefited equally.

[...] With regard to the MAR,¹³ which is an essential part of follow up to evaluations in any major development agency, the Panel found that as currently operated it is not working as it should be. While the example reviewed by the Panel looks reasonable and comparable to the tracking system of other multilateral organizations, various stakeholders either questioned the usefulness of the MAR or indicated not being aware of its existence. It is to a large extent perceived as a bureaucratic requirement rather than a management tool. This could however be addressed with some relatively straightforward changes, learning from the experience of improving MAR systems in other multilateral agencies which have faced the same challenges.

[...] Moreover, translating findings to lessons learned and how they should be incorporated at the operation level is seen as a major challenge. The usefulness of some recommendations is questioned as being too general or not being actionable. [...] The limited usefulness of evaluations was also attributed to the limited consultation of the IEO with the staff of the Secretariat and the Agencies in selecting the evaluation subjects, in defining the right evaluation questions, in incorporating comments made on draft reports, or in discussing draft recommendations before finalizing them.

Source: GEF IEO

¹¹ See Inter-American Development Bank (2011) Report of the Independent Review Panel on Evaluation at the Inter-American Development Bank; Evaluation Cooperation Group (2010) Peer Review of IFAD's Office of Evaluation and Evaluation Function; GEF IEO (2014) Report of the Second Professional Peer Review of the GEF Evaluation Function; World Bank Group (2015) External Review of the Independent Evaluation Group of the World Bank Group - Report to CODE from the Independent Panel

¹² Learning is understood as change in behaviour.

¹³ The MAR is a tool to systematically track - in table format - the follow-up to Council decisions which were made based on recommendations from evaluations and the related management responses.

In addition, a number of informal practices and initiatives feed into the continuous improvement of the processes discussed. Examples range from informal discussions with services and management following the completion of an evaluation to more systematic consultations in the context of the introduction of new systems and the revision of policies and guidelines. In some cases, the evaluation functions engaged external consultants to assess specific systems or practices and identify areas for improvement – for example, the Office of Evaluation and Oversight at OVE engaged an external expert for the review of the ReTS system.¹⁴

Another example of a feedback loop mechanism includes the meta-analysis of recurring recommendations across multiple evaluations carried out in a certain area. No dedicated evaluation products were identified to this end, but among the examples of reports that include this aspect are the thematic evaluations carried out by IEG (WBG) and OVE (IDB), as well as the evaluations synthesis produced by IOE (IFAD). Some annual reports (e.g. IDB's annual report) also highlight recurring recommendations.

5.3 Case studies

The following case studies exemplify how particular policies, practices or tools can contribute to desired outcomes for the process for following up and reporting on the implementation of recommendations.

5.3.1 Case study on IT system for following up on the implementation of recommendations at IDB

Background: The Inter-American Development Bank (IDB) created the Evaluation Recommendation Tracking System (ReTS), following the recommendations of an external review of the IDB evaluation function in 2011. The evaluation panel recommended the development of such a system as a matter of urgency; the objective being to address the need for a deeper interaction between management and OVE, as well as to provide a stronger accountability tool for the implementation of recommendations endorsed by the IDB's Board.¹⁵

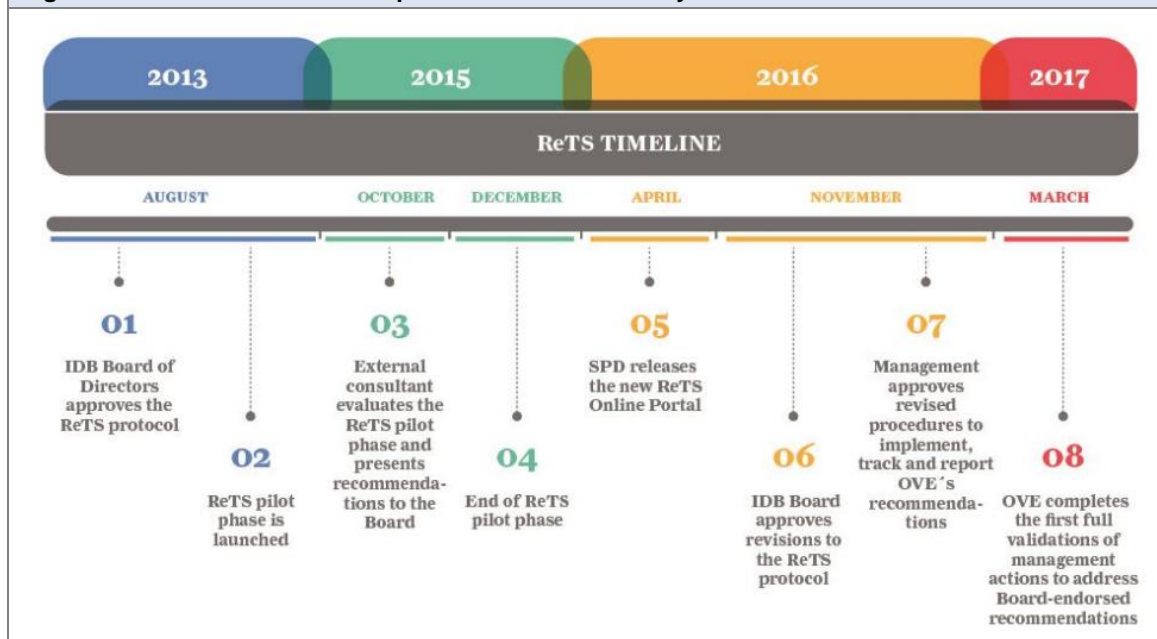
Process in focus: Management and OVE started working on the ReTS system in 2012 and launched its first version in March of 2013. By mid-2013, Management and OVE presented to the Board of Executive Directors a protocol for the implementation of the tracking system and this protocol was approved in August 2013. The final version of the protocol required adjustments to the system, leading up to its pilot launch as illustrated in the following figure. Since then, the system has undergone numerous minor and major upgrades. The last major update followed the results of the external review of the pilot phase of the ReTS. According to interviewed staff of the IDB, the total costs of the system by now exceed USD 100,000.

In 2017, OVE completed the first full validation and reporting on management actions to implement recommendations based on information available from ReTS. The results were included in the OVE Annual Report 2016.

¹⁴ Boehmer, Hans-Martin (2015) Review of the Pilot Phase of the IDB's New Recommendation Tracking System

¹⁵ All OVE recommendations are registered in the ReTS, but only those that receive Board endorsement are tracked.

Figure 10 Timeline for the development of the IDB ReTS system



Source: OVE IDB

Lessons learned: The case study focuses on the process through which ReTS was developed highlighting the main results of the external evaluation of the system in 2015, as well as the latest experiences and plans for improvements.

The external review of the system found several issues with its development, which are relevant to note for any ECG member considering the introduction or revision of such systems. Some of the main issues can be summarised as follows:

- The absence of a clear governance structure and the lack of a coordinated approach to the development of the system led to multiple revisions and increased the complexity of the system, beyond the parameters set by the protocol.
- Not all users had sufficient awareness and understanding of how to use the system and generally low use beyond that of OVE and the lead department for management of the ReTS. As a result, there was significant variation in the perceived value-added of the system, with users' feedback ranging from "start over" to "keep it with significant improvements needed".

OVE and IDB Management sought to address the review's findings through updates of the ReTS protocol and the IT system itself and through revisions of some of the user roles. The feedback gathered by IDB services, management and evaluation staff in the context of this Working Group suggests that issues with the user-friendliness and overall usefulness of the system remain. According to IDB staff managing the system, technical obstacles to further improvements of the system mean it might be necessary to look for a new IT solution, potentially linked to other IT platforms used by IDB Management.

In the interviews conducted in the context of this Working Group, IDB staff drew several "lessons learned":

- It is important to develop a comprehensive model for the business processes involved with such a system prior to the design of the technical solution so as to minimise the need for costly and time consuming revisions;
- It is necessary to have a communication strategy that ensures sufficient awareness among the users of the system of its objectives, of their roles and responsibilities and of how the information entered into the system is used;
- It is important to design the system in a way that ensure that, besides accountability, it also promotes learning within the organisation;

- It is important to carefully assess the necessity for such a system against the scope and nature of evaluations carried out and the costs involved in developing and using it.

5.3.2 Case study on the approach to assessing implementation of recommendations at the EIB

Background: In February 2013, the EIB Board of Directors (BoD) requested: (i) to have an explicit Management response for each recommendation issued by EV (under the responsibility of the EIB's Management Committee) and, (ii) to receive more regular and substantial reporting on the implementation of recommendations. Operations Evaluation (EV) took the lead on addressing these requests and, in cooperation with the Services, developed a quarterly follow up of recommendations (FUR) approach.

Process in focus: EV follows up on the implementation of recommendations based on the action plan developed by the Services. EV solicits the Services to provide evidence on the implementation of a recommendation during the quarter specified as a deadline in the action plan.

Based on the evidence provided by the Services as per the action plan, EV assesses the degree of implementation of recommendations. Within EV, the contact person for each evaluation proposes the change of status of a recommendation (e.g. to "implemented") and the FUR Panel either: validates the proposition; validates the proposition subject to the provision of additional evidence; or rejects the proposition. The FUR Panel is composed of EV's Team Leaders and Head of Division. The Panel ensures consistency in the treatment of recommendations across evaluations and over time.

If circumstances so dictate, Services may propose changes to an action plan and discuss them with EV. EV will bring these proposed changes to the attention of the MC in the next FUR report.

The objective of the MC FUR Report is to ensure that the MC is aware of the progress the Bank has made in implementing recommendations, and any bottlenecks that require the MC's intervention (e.g. strategic decisions). It includes quantitative and qualitative information such as:

- Recommendations that are delayed as compared to the action plan timetable and the reasons thereof;
- Specific recommendations that are problematic (e.g. recommendations delayed beyond the three year threshold of active monitoring);
- Progress on any recommendations that were initially not agreed but on which the Bank has acted nonetheless;
- The number of recommendations by implementation category in the current quarter and the evolution as compared to the previous quarter(s);
- Trends in the progress of certain types of recommendations as compared to others (e.g. strategic vs. operational); and
- Modifications to the action plans that EV does or does not agree with.

The BoD report includes an annex listing all outstanding recommendations as well as those that reached completion during the reporting period.

All FUR Reports (to the MC and to the BoD) are shared in draft form with the relevant Services, for their review and comment without prejudice of EV full discretion about the content of the final version.

Lessons learned: The interviews carried out with representatives of different functions within EIB provided insight into their experience with the FUR process.

First, the collection of information for the follow-up of recommendations necessitates a lot of coordination and maintenance by EV. The process can be particularly challenging if the EV contact person for the follow-up of recommendations may not have participated in the evaluation itself or in the preparation of the action plan.

In terms of formulating action plans and following up on their implementation, the process often proves to be challenging when the action plan concerns various Services. However, increasing the involvement of the Secretariat General is foreseen in order to coordinate Services' contribution to the follow-up process in cases where several parts of the EIB are concerned.

It is expected that the roll out of the new SharePoint application for the process of following up on recommendations should allow for easier exchange and storage of information for all participants in the FUR process.

One area of contention concerns the role of the FUR Panel in the process, especially when the Panel rejects the proposal made by the EV Contact Person on the basis of discussions with the Services. According to EV, for independence purposes, the Panel needs to maintain a certain degree of distance from the Services. However, interviewed representatives of the Services functions perceived the Panel's role as non-transparent. In connection to this, better communication on the role and value added of the Panel could improve the understanding of its decisions.

5.3.3 Case study on WBG MAR Update Cycle

Background: In 2012, World Bank Group Management and IEG agreed to adopt specific, measurable actions in response to IEG's findings and recommendations. The Management Action Record (MAR) Update is a tool that facilitates the annual follow up on the adoption of IEG's recommendations by the Bank Group.¹⁶ The full cycle of the update process is best presented through the following figure.

Process in focus:

The MAR update cycle implemented by the WBG is interesting for two main reasons. First, for its use of two IT systems, one of which is publicly available, and second, for the approach taken to assess the implementation of action plans in response to IEG's recommendations.

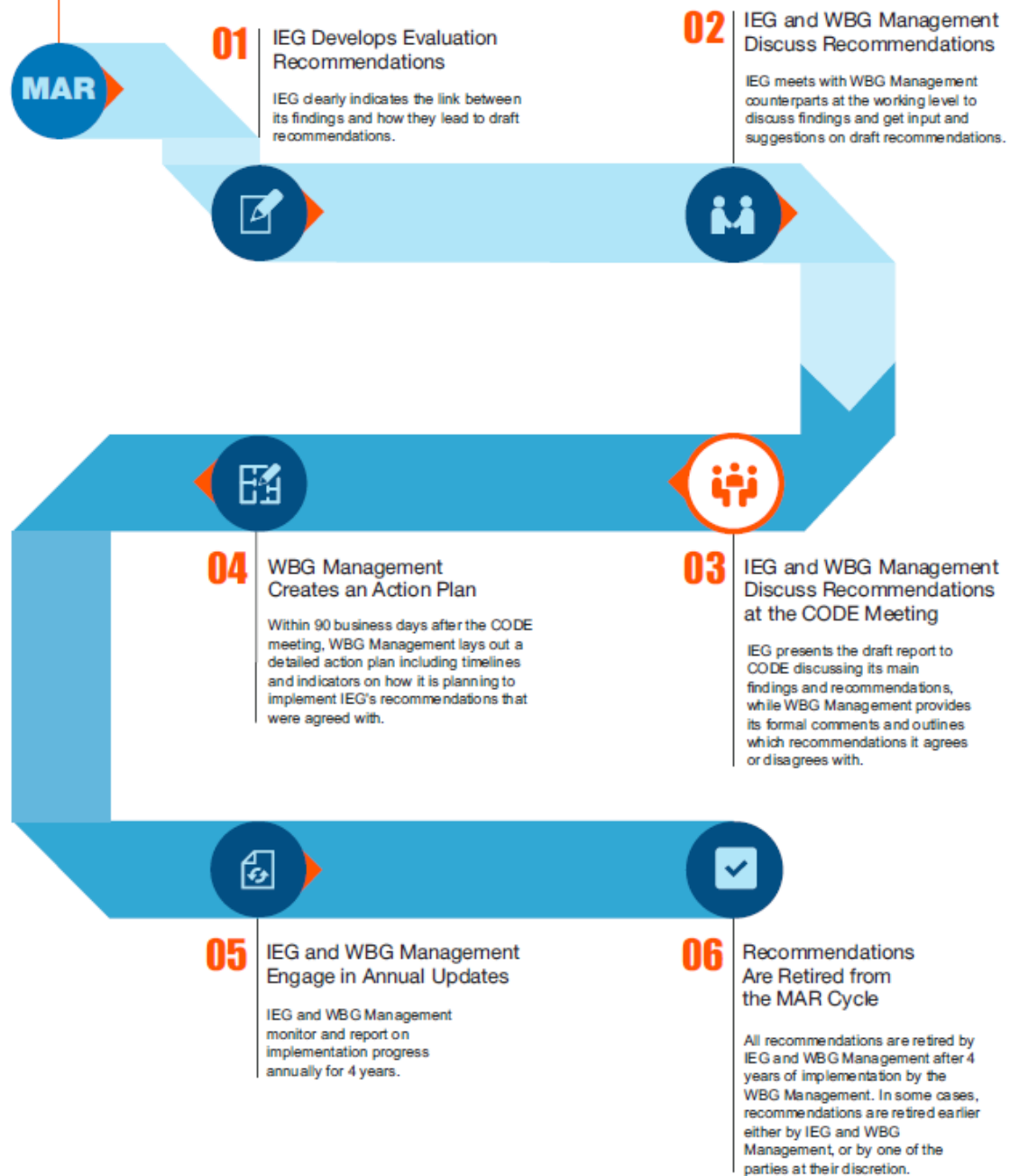
The recommendations that are subject to the follow-up process are those with which management "agreed" or "partially agreed". The operational departments are responsible for drafting and implementing an action plan, with timelines and targets for each of these recommendations. The draft action plan should be provided within 90 days after the meeting of the Committee on Development Effectiveness (CODE), which is a subcommittee of the WBG Board of Directors with an oversight function over IEG. The plan is reviewed and commented on by IEG, but Management does not have to take on board comments or seek approval of the final action plan.

Once finalised, the action plans are entered into an *internal online platform* and become part of the annual MAR process a fiscal year after the CODE meeting. The internal online platform is one of the two online platforms utilised by IEG for the MAR annual process. The internal one is a closed system only available to those who participate in the annual update process during the update cycle itself. An important tool that the internal platform provides is the confidentiality of deliberative process, which ensures that while each side is drafting their updates and reviews the content is only visible to the person taking actions on it. In addition, each individual can see their counterpart's name assigned to each recommendation, which enables MAR participants on both sides to get in touch with each other informally during the update process. This helps to deepen engagement and clarify any issues prior to formalising the reviews.

The data from the update exercise (including ratings and updates themselves) becomes publicly available on *external online platform* once the update cycle is closed. This public database is hosted on IEG's external website, which allows users to filter through recommendations by evaluation title, keywords, years of follow up and status of recommendations.

¹⁶ <https://ieg.worldbankgroup.org/managementactionrecord>

Figure 11 WBG MAR Update Cycle



Source: IEG/WBG

The rating of actions (not the recommendation itself) is done on a five-point scale (complete, high, substantial, moderate and negligible). "Complete" is the highest rating accounting for actions that are completed and while "High" is used for actions that are nearing the 90% of completion status. The annual implementation updates and ratings are done by the designated operational departments (self-assessment). Thereafter IEG can see the updates without the rating, which it then validates and rates as well. Once the rating process is finalised, the process is pushed to the next stage when all parties can see each other's ratings, and call for meetings to discuss differences and provide additional information.

Actions are tracked yearly over a period of 4 years after which recommendations are retired from the update process, and are archived in the online platforms for records keeping.

Lessons learned:

The MAR update process as well as the introduction of the internal online platform have enabled more accurate and systematic tracking and follow-up of implementation, and has thus contributed to a more rigorous use of evaluation findings and recommendations. The fact that the MAR data is publicly available may contribute to a tendency for WBG Management to take a more conservative and cautious approach in setting targets and indicators in action plans.

A key challenge during the follow-up on actions is the quality of the action plans. According to IEG, action plans often tend to be output based and more risk-averse rather than targeting the full intent of evaluation recommendations.

WBG Management, on the other hand, perceive the MAR update cycle as less flexible tool than it should be in order to allow for adjustment of the organisation to the dynamics of interventions or a changing environment. The actions plans are fixed and not subject to change, which may predispose Management to opt for less risky and large-scale commitments in the action plans. To find a solution, IEG and WBG Management have introduced Adaptable Action Plans as a pilot approach for two of IEG's recent evaluations. Adaptable Action Plans will be monitored just like other action plans during the MAR update process, but rated by IEG against the implementation of IEG's recommendations (rather than actions) while Management reserves the right to adapt the action plans to new realities as long as the new actions are responsive to the main outcome envisioned in IEG's recommendations.

5.4 Synthesis of lessons learned

As in earlier steps of the process, many challenges are similar between the institutions in relation to the follow up on the implementation of recommendations. While all have a formal system in place, with largely similar roles for the involved functions (management, operations, evaluation) there are some differences in how the roles are carried out, notably in the role of evaluation functions in the validation of action plans, implementation assessments and reporting.

A key issue mentioned is the risk of disconnect between recommendations and the actions taken to implement them, particularly in terms of the extent to which they address the actual intent of the recommendation. **While recommendations will generally aim to strive towards better results or greater impact, actions tend to be planned in a more operational and output-based manner.** It may also be difficult for the evaluator to validate the self-assessment by management based on the information provided.

In institutions where there is a practice of preparing action plans, during the validation process the evaluators are required to assess progress on actions rather than the underlying recommendation, which can lead to a **“good” rating on a “bad” action**. Another challenge may be that sub-recommendations and corresponding sub-actions overall meet targets while the overall recommendation still is largely unmet. In order to mitigate these risks or challenges, different solutions have been developed. For example, ADB's evaluation function rates the implementation of recommendations instead of actions, while the evaluation function of IDB has recently started validating the action plans prepared by management for each recommendation, on both relevance and implementation. The outcomes of such measures are mixed - while they put the onus on the intent of the recommendation, they may also adversely affect services'/management's buy-in and collaboration in case of conflicting assessments.

A common issue noted by representatives of different functions is that **the follow-up on the implementation of recommendations is often perceived as a cumbersome “tick-box” exercise, with unclear added value**. It was noted that the effectiveness of the process depends to a high extent on the incentives for different stakeholders to prioritise it, i.e. their understanding of the importance and results of the process and the effectiveness of the governance system in the institution. In cases where senior management or a board entity with strong mandate are more closely engaged in the process, there is presumably an added incentive for the rest of the organisational stakeholders to prioritise the implementation and follow up of evaluation recommendations.

It is also worth considering whether detailed follow-up on the implementation of recommendations is needed in all cases. While there is certainly a rationale for detailed planning and monitoring of the implementation of recommendations for corporate level or thematic evaluations, in the case of recurring

programmes or projects, the cyclical nature of evaluations could be sufficient for following up on the implementation of recommendations.

In terms of support systems, it appears that the **IT systems** used are fairly basic and mainly consist of databases without specific or adapted functionalities. To a large extent, the databases reflect the origin or rationale behind their development, which has been to ensure accountability, i.e. to enable follow-up on the implementation of evaluation recommendations, with limited functionalities to facilitate learning from the process. For efficiency reasons, it would be useful to consider a certain level of automation and functionalities when designing a system, such as automated reminders, settings, access levels, etc., and use an IT solution that is supported by the institution's internal IT department and can be integrated with the existing IT systems used in the institution.

Until recently, there has not been much discussion about **how feedback loop mechanisms may ensure that lessons are learned on a meta-level** in order that the studied processes and the systems in place may be improved. In several of the institutions there is a strong wish to strengthen such feedback loop mechanisms in order to further improve the systems and ensure the value added of the processes. Further consideration and consultation on how this can be realised will be needed.

6. CONCLUSIONS

The review conducted in the context of this Working Group showed the approaches taken by the participating organisations are largely similar, and most differences in the approaches owe to factors such as:

- The organisation and governance structure of the institution, especially in terms of lines of communication and reporting lines for the evaluation function;
- The size of the evaluation function and the number of evaluations undertaken;
- The types of evaluations undertaken (e.g. project, country programme or corporate evaluations);
- The maturity of the studied process and the degree to which they have been institutionalised through policies, procedures and practices.

The review also showed that the participating organisations encounter a number of common challenges during the process of formulating recommendations, management responses and the follow-up and reporting on implementation. The following table outlines the main common challenges, as well as the possible ways to address them, identified on the basis of existing measures reported by the consulted stakeholders.

Table 6 Common challenges and means to address them	
Common challenges	Way to address these challenges
Inconsistent quality of the recommendations issued	Defining common objectives and standards for the recommendations issued and reinforcing these through templates and internal peer review processes can increase the consistency of the quality of recommendations. Further to this, consulting evaluation stakeholders throughout the evaluation process and especially during the formulation of recommendations can be a positive factor for increasing the relevance and timeliness of recommendations.
Lack of acceptance of the recommendations by the stakeholders	Without prejudice to the independence of evaluators, the systematic consultation with the evaluation's stakeholders throughout the evaluation process can be a positive factor for increasing the quality of recommendations, but also for avoiding misunderstanding and increasing stakeholders' ownership and engagement in the next steps of the process. The objective is not for the management to agree on all recommendations, but to provide a response that addresses the evaluator's proposition, even if they ultimately disagree.
Superficial implementation of recommendations	Measures such as the introduction of a requirement for action plans and the implementation of validation mechanisms involving the evaluation function can be an effective means to ensure that each recommendation is implemented fully and that possibilities to "game the system" are prevented. Validation can take place at the stage of creating action plans as well as the stage in which progress on implementation is reported.
Insufficient awareness of and interest in the follow-up process	It is important to ensure that the follow-up process is designed so that there is sufficient visibility of the results achieved and actions taken in response. This can help increase stakeholders' understanding and awareness of the process and give them an incentive to engage more actively with it.

The conducted review documented a number of practices and measures, adopted by the participating ECG members and observers, which have a positive influence on the effectiveness of the studied processes. In particular, initiatives that lead to more systematic interaction between evaluation, service and management functions in the studied processes were seen by representatives of all sides to lead to: better relations; a more aligned understanding of the issues identified by the evaluation; as well as the identification of the means and actions needed to address them. The experiences shared by

interviewees in different organisations indicate that closer cooperation does not necessarily affect the independence of evaluators and can lead to better use of the evaluation process and its products.

The review also found that the use of IT solutions to support the follow-up process could help maintain a good overview of the status of recommendations from different evaluations. At the same time, it is important to ensure that such IT solutions are not burdensome but user-friendly and allow for reporting as well as learning opportunities. Seeing as several ECG members and observers are currently working on updating their existing IT solutions or introducing new ones, it might be worth considering how to cooperate more closely and exchange information and experiences, possibly through standard technical specifications.

A number of ECG members and observers are currently working on developing their processes for assessing the implementation of recommendations - different approaches have been adopted and the ECG would be a good forum for further discussing institutional experiences in this regard.

Finally, further investigation into how to formalise feedback loop mechanisms will help ensure that evaluations functions reflect more systematically on the effectiveness of the evaluation recommendation process and make timely improvements. In addition, considering the crosscutting obstacles inhibiting the use and implementation of recommendations would be beneficial in this context, as this will help in addressing the challenge of attributing institutional change to the evaluation process and its results.

Annexes

Please see separate file relating to this report's annexes.