



J-PAL

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Deciding what, when, and where to invest in impact evaluation



What is the most convincing argument you have heard against RCTs?

- Too expensive
- Takes too long
- Not ethical
- Too difficult to design/implement
- Not externally valid (Not generalizable)
- Less practical to implement than other methods and not much better
- Can tell us what the impact is, but not why or how it occurred (i.e. it is a black box)

Remember: impact evaluation is only one piece of a good M&E system

- Strategic planning
- Needs assessment
- Literature review
- Process evaluation/performance measurement
- Impact evaluation/outcome measurement
- Cost-effectiveness or cost-benefit analysis

Actually J-PAL doesn't recommend that organization do RCTs every time...

- Only useful when done well (and they are **hard to do well!**)
- **Big investment** (can cost hundreds of thousands of dollars), so they should be prioritized for the most important unanswered questions
- Good **process evaluation** is critical when you can't do more rigorous impact evaluation

Cannot do an RCT? Try a process evaluation first

- Is your program being **carried out as intended**?
- Are all outputs being delivered?
 - E.g. Incentives for immunization: Are incentives being delivered?
- Are you actually reaching the **intended beneficiaries**?
- Once the program is being operated as intended, *then* think about impact evaluation: does my product **measurably improve people's lives**?

Deciding what to evaluate

- If an organization wants to develop a plan of where to invest its evaluation resources, start with key questions
- Determine which can be answered from **existing evidence** and which from **process evaluation**
- Select only the **top 1-2 priority questions** for impact evaluation
- Find **best context** for answering them: where is representative and where are there opportunities to evaluate?

What programs should we prioritize for impact evaluation?

- Large amount of resources being devoted to an **untested program**
- Government/Organization thinking about **dramatically scaling up program**
- Debate in the sector about which of **two or more programs** are most effective

Which programs don't need an evaluation?

- When a program has **already been evaluated** in several contexts
- When **implementation is poor**
- When a **needs assessment or process evaluation** can answer your question
- When you **don't have enough resources** to do it well

Deciding when to evaluate

- Not too early and not too late
- Don't evaluate during an early start-up phase
 - Wait until implementation is smooth
 - Don't evaluate program if it is likely to change very soon
- Don't wait to evaluate until after something has already been massively scaled-up

Deciding where to evaluate: is the program representative?

- Representative program design
 - E.g. Standard microcredit model used in many places.
- Representative geography and cultural context
 - Results more likely to generalize to a similar context
- Representative partner organization
 - Can same implementation quality be guaranteed?
 - What aspects of organization can be taken elsewhere?
 - Partner must be committed to evaluation or will fail

Only invest in impact evaluation if you can answer the question credibly

- Does your design answer the questions you want to answer?
- Must have good way to measure outcomes
- Need sufficient sample size to be able to pick up a reasonable effect

Cost-effective evaluation

- Rigorous impact evaluations vary enormously in cost, important to balance cost and benefits
- What makes an evaluation expensive?
 - Collecting new data vs using administrative data
 - Rural and remote locations drive up transport costs
 - Phone vs. in-person surveys
 - When skilled labor is expensive (much of Africa)
 - Multiyear evaluations
 - Multiple product versions being tested at once
 - Non-survey outcomes (like biological tests)
- Large expensive evaluations can still be cost-effective by improving the effectiveness of investment

Tips for reducing costs of evaluation

- Data collection is what drives evaluation costs
- Where possible, use administrative data
- Measure shorter-term or proxy outcomes
- Reduce frequency of follow-up
- Reduce use of non-survey instruments
- If it doesn't create selection bias, you could use phone surveys rather than in-person surveys
- Try to partner with an academic who will help you raise third-party money for the evaluation

Tips for ensuring evaluation findings will be used in decisions

- Before the evaluation starts, write down what you will use the results to decide
 - “If the evaluation finds positive/no/negative impact, we will do X/Y/Z”
- Make sure the evaluation can answer questions about how and why something worked/didn't work
 - Importance of collecting good process data during evaluation

USAID India case study

- J-PAL South Asia advised USAID how to integrate impact evaluation as a tool for learning and strategic decision making in 2012-2013

Overview of World Bank Impact Evaluations learning

- Several agency wide initiatives since 2005 to encourage IEs
- Average of 57 impact evaluations per year during 2005-2010
 - Focus on small-scale testing and determining whether results can be generalized to different settings
- Increasing trend towards adopting a randomized design
- Learning:
 - IEs need to be aligned with priorities identified in sector strategies
 - Important IE assess distribution of program impact across groups, contribution of individual components of the program, and cost effectiveness analysis.
 - Staff believe IE to be useful to conduct policy dialogue with client governments and other partners.

Doing impact evaluations well

1. What questions can randomized evaluations answer?
2. What is the “use value” of answering these questions precisely
3. Selecting the right projects
4. What are practical constraints?

What Types of Questions Can randomized evaluations answer?

- Evaluations of all kinds can be thought to answer three types of questions (Imas and Rist 2009) :
 - *Descriptive questions*
 - *Normative questions*
 - *Cause and effect questions*
- Randomized evaluations can only answer cause and effect questions

Research Question for Impact Evaluation

- Does the project or program lead to _____ (impact)?
- Examples:
 - Does providing free toilets in urban slums reduce open defecation?
 - Do female empowerment trainings in schools improve girls' academic performance?
 - Do more ambulances on national highways lead to a decrease in roadside fatalities?

How does USAID propose to use the information gained from an impact evaluation?

- If you impact evaluate a particular Read Alliance program and find a large impact, how would you use this information?
- What if you found no impact?

Choosing the right questions to answer

- Knowing how you want to use an evaluation will inform which activities you decide to evaluate
 - Is it innovative?
 - Is it scalable or replicable?
 - Is it relevant to USAID strategy in India or globally?
 - Is it a large project?
 - What is the implementation timeline for the project?

Practical Constraints

- But even if you want to impact evaluate an activity, is it even feasible?
 - Do you have a willing implementing partner?
 - Do you have a sufficient budget?
 - Have you considered timing versus methodology trade-offs?