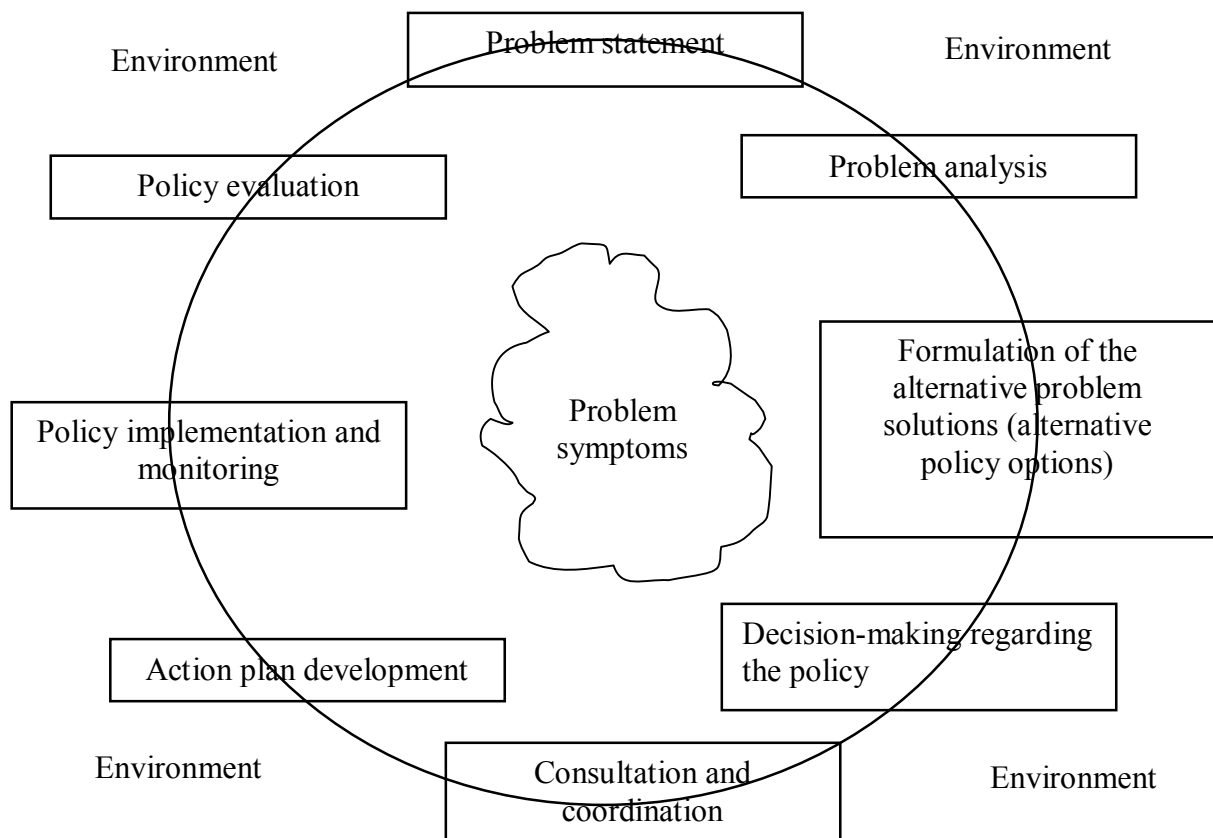


## Program Evaluation as Policy Implementation Instrument: Case for Ukraine

### *Evaluation as a Necessary Component of Policy Cycle*



Evaluation is regarded as an essential and integral component of strategic planning / management. Evaluation procedures are used during assessment and evaluation of certain programs and projects - especially at the local level. Monitoring, which is regarded as a constituent element of evaluation, also plays an important role. In the context of this article, Evaluation is considered as a necessary component of policy cycle. This means that in the process of policy-making major focus is laid upon procedures for Evaluation of programs as an instrument of policy implementation. The two stages of policy Implementation and Evaluation cycle are regarded from the point of view of application of evaluation procedures for programs as a tool of policy implementation. It is reasonable to use “Practical Handbook on the Basics of Programme / Project Monitoring & Evaluation” and other practical materials developed for Evaluation.

For Ukraine, it is important to develop “Policy science” in its two directions: policy study and policy analysis. Along with the appropriate institutionalization of “Policy science”, which includes the existence of corresponding institutions, regulatory and legal framework, and the educational component, it is also important that it is based on multidisciplinary and normativity, are oriented on solving problems and, which is especially vital, are based on social values.

The task of “Policy science” is to understand and inform policy-making process by conducting

initial studies of specific issues of public policy. It usually reflects the scope of interest of groups of policy researchers or scientists. As for policy analysis, it is a more politically motivated sphere, which seeks to directly influence the real effects of policy via authorities. Policy analysis is usually conducted by authorized politicians or analytical centers.

The purpose of Policy science is to consider the fundamental and often ignored problems, which appear as citizens and policy developers adapt to social changes, constant transformation of policies (as a course of action), and other political processes that are aimed at serving democratic goals.

Policy science makes an extensive use, along with mathematical modeling, of the tools of economic science - when analyzing social problems, determining the economic arguments for governmental intervention into socio-political processes, developing the methodology for the behavior analysis of the participants of socio-economic processes, choosing instruments of public policy, analyzing its efficiency and effectiveness, and evaluating the effects of government intervention.

***State (public-goal) programs.*** According to the law of Ukraine “On State Target Programs” (2004), State Target Program is a set of interrelated tasks and measures aimed at solving major problems of national development, industries or administrative units, which are carried out at the cost of Ukrainian State budget expenditures and whose terms of performance, members and resources are agreed.

#### ***Classification of programs.***

##### **State target programs are subdivided into:**

- National programs of economic, scientific, technical, social and cultural development, and environmental protection
- National programs – programs that cover the entire territory of the state or a significant number of its regions, have a long-term implementation period, and are carried out by central and local executive bodies;
- Other programs aimed at solving specific problems of economic and social progress and problems of certain separate economic sectors or administrative units, which require government support.

##### **The aims of the state target programs are as follows:**

- Promotion of public policy implementation in priority areas of national development and development of certain economic sectors, industries and administrative units;
- Ensuring the concentration of financial, material and technical and other resources, scientific and technical capabilities, and coordination of the activities of central and local executive bodies, commercial enterprises and institutions aimed at solving major problems.

##### **State target programs are developed under the following conditions:**

1. Existence of problems, which are impossible to solve by means of territorial or sectoral management and which require government support and coordination of central and local executive bodies and local authorities;
2. Compliance of the program goal with priority directions of public policy;
3. Need for the establishment of intersectoral and interregional relations for technologically related sectors and industries;
4. Resource availability for the program implementation.

### **Classification of state target programs**

According to their orientation, state targeted programs are divided into:

- **Economic** – aimed at solving complex problems of sectoral and intersectoral production, increasing its efficiency and quality characteristics, providing resource-saving, establishing new production facilities, and development of industrial cooperation;
- **Research** – aimed at the enforcement of fundamental research in natural, social and technical sciences;
- **Science and Technology** – are developed to address the most important scientific and technological problems, development of new innovative technologies, production facilities, materials and other highly technological and competitive products;
- **Social** – involve problem solving in the sphere of welfare work and improving the quality of life, addressing unemployment, enhance social security, improve working conditions, development of health protection and education spheres;
- **National-cultural** – address issues of national cultural development, preservation of national cultural heritage, and catering the intellectual and spiritual needs of citizens;
- **Environmental** – aimed at the implementation of national environmental nature-conservative measures, environmental disasters prevention and response;
- **Defense** – are developed in order to strengthen the defense capability of the state;
- **Law enforcement** – are implemented to ensure law enforcement, fight against crime and protect public security.

State target programs can be directed to solve other problems, including issues related to regional development that are of state importance.

The Decree of Cabinet of Ministers of Ukraine (of 31.01.2007, № 106) on “The Adoption of the State Target Programs Development and Implementation Procedure” defines the mechanism of the development, coordination, submission for approval, and implementation of national target programs. This procedure determines the structure (the list of program sections and the requirements to them) and the course of actions that is required to be followed during the elaboration of program drafts.

### **Initiating program development**

Program development can be initiated by the following authorities:

- Cabinet of Ministers of Ukraine
- The executive bodies of central authorities,
- The National Bank of Ukraine;
- The National Academy of Sciences of Ukraine,
- Verkhovna Rada of the Autonomous Republic of Crimea,
- Regional, Kyiv and Sevastopol city councils,
- Council of Ministers of the Autonomous Republic of Crimea,
- Regional, Kyiv and Sevastopol city public administrations.

### **Current opportunities and issues problems to address in programs monitoring and evaluation**

The basic Law on **the state target programs** adopted in 2004 presupposes monitoring the implementation of programs, the purpose of which, apart from the timely implementation of measures and purpose use of funds, is to achieve the target characteristics. However, in practice the main emphasis is often laid only on the control over the application of measures and the purpose spending of budgetary resources. The methodology of development and implementation of monitoring target characteristics is not officially defined. These problems are the basis for the development of a new version of the law.

For the purposes of monitoring and evaluation it is possible to use the **passports of budget programs**, which were first introduced in 2002 and the format of which has changed several times. However, again, the task of the budget program evaluation is primarily the purpose use of budgetary funds.

Methods of the estimation of program performance indicators – quantitative and qualitative parameters, which determine whether planned objectives have been achieved, – are used for **program-based approach to budgeting**, which is particularly prevalent on the level of cities. However, according to the Budget Code of Ukraine, this practice is not yet obligatory, and therefore, it is rarely used at regional level.

**Detailed methods of monitoring and / or evaluation of government programs** implementation are used since the early 2000's in some areas of public administration – the fight against HIV / AIDS, management of education, refresher training of civil servants, and promotion the development of technology parks. Specifically, at the end of 2004, the Cabinet of Ministers of Ukraine adopted an **integrated monitoring system** in the sphere of environment. In particular, it determined: the task of monitoring (data collection, the formation of data banks, analysis of information, ensuring regulatory, methodological and technical support for data collection and analysis, ensuring the accuracy of the information and its public availability) and **the subjects of monitoring**, including the coordinating organization (interdepartmental Commission, approved by the CMU).

**In the field of regional policy** methods of monitoring the performance of certain types of areas were introduced in recent years. In particular, this concerns the introduction of monitoring of the functioning of special (free) economic zones and priority development territories. The Order of the Ministry of Economy and European Integration from 19.01.2005 includes the method of determining the evaluation criteria, the basic parameters of development and performance of these zones and territories.

Ukraine also has experience in implementation of **the evaluation of authorities activists** (central and local) in some areas, for example, to attract investments and create favorable investment climate. The Ministry of Economy offered a **new method of evaluation of authorities activists** in July 2006. According to this method, the evaluation was performed on the basis of clearly defined **list of indicators**; besides, a new **report form** was introduced. The structure of the form was as follows: “Indicator – evaluation period – deviation index (%)”.

The Government of Ukraine has made several attempts to develop a holistic approach to the **evaluation of central and local authorities regarding their impact on the regional development trends**. A **separate method of complex evaluation** of socio-economic development was approved in February 2004. According to this method, the aim of the evaluation process was to determine the impact of the government on regional development trends and compliance of these trends with the objectives of Government program.

In terms of the methodological technique, there were 23 indicators that were supposed to show trends in various areas of regional development based on the information submitted by the State Statistics Committee and also some specialized authorities.

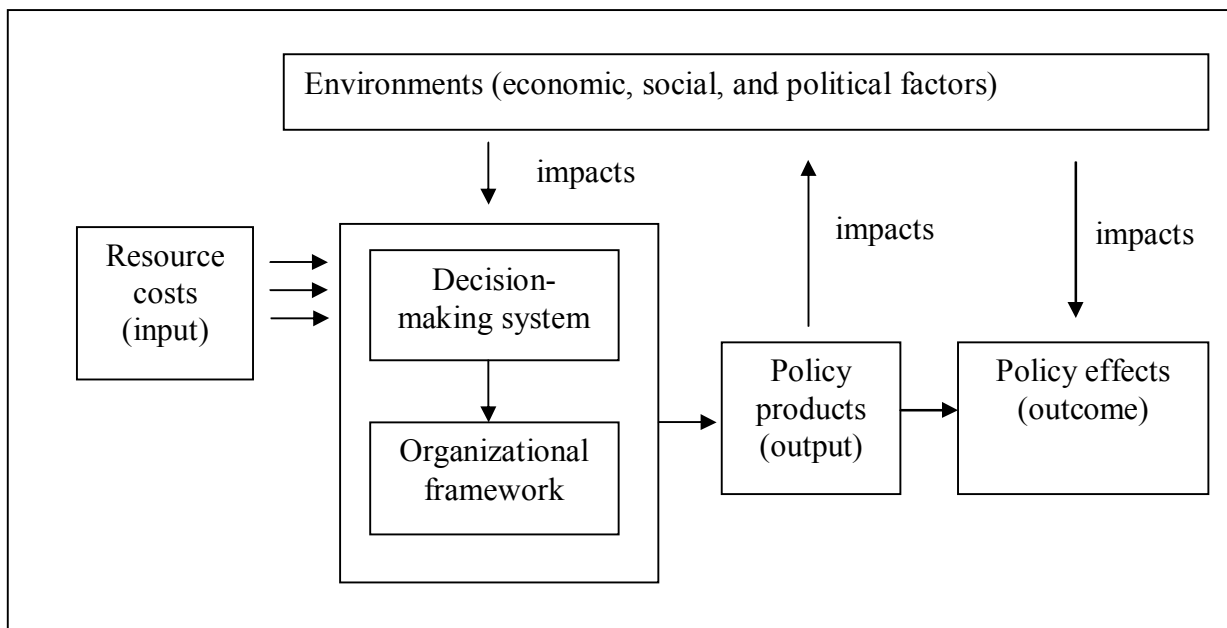
This technique was modified by new cabinets in 2005-2006, including the determination of socio-economic development indicators, which provide data as the basis for the government evaluation. It should be noted that for the first time it was proposed to use such a complex index, as **gross regional product**.

#### ***Evaluation of costs, products, effects and results of government programs***

#### **Efficiency and effectiveness of policies (programs)**

*Public policy* as a course of action is a process, implementation of which requires continuous intervention of the authorities responsible for carrying out the given policy direction (see Fig. 1.)

*Figure 1. The model of public policy process*



Institutionally, an executive body in this process plays the role of the *decision-making system* (for example, the Cabinet, if to take a central authority).

The process of policy includes, first of all, addressing *issues and problems*. Solving any problem is impossible without spending related resources.

*Costs* are the resources needed to implement certain policy.

*The implementation of policy*, i.e., application of policy measures to address the problem taking into consideration the known objectives and tasks, provides results – *policy products (output)*.

*Environment* affects the process of decision-making, the costs and the output. In addition to the natural environment, it is necessary to consider the economic environment, social environment, and political environment. All together they form a set of factors (economic, social, and political) that may to some extent distort the process and its results.

Policy effects (consequences) appear in course of time and under the influence of environmental factors. They can be classified according to the *time of occurrence* – short-term, medium-term, and long-term. Consequences may also be *desirable* (those, which increase the benefits of policies) and *undesirable* (that generate costs and losses for particular groups or society as a whole and reduce the benefits of the policy). The consequences can be predictable – then they can be taking into consideration during decision-making, and unpredictable – those that were not taken into account in the course of decision-making process (this does not mean that they were impossible to be taken into account: perhaps the preliminary analysis of possible consequences was poorly conducted).

Direct policy product and all its significant effects form the final outcomes of the policy as a process, although the term “final” is rather relative, because the consequences of policy implementation often cause new problems that also need resolution.

*Final results* should reflect policy objectives, while policy products are associated with the tasks of policy.

The policy evaluation should be based on several aspects – effectiveness, efficiency and economy.

***Effectiveness of policy (program)*** is a measure of achievement of the declared policy goals.

Effectiveness show how close the results are to the declared goals. For example, a program of HIV/AIDS prevention is based on the social values and is aimed at reduction of the cases of the disease incidence.

The program could include a task – to reduce the number of cases, say, by 50%. If a year after the program achieved a 45% reduction, it can be considered effective, but if only 10% – then probably not. Still, it is also necessary to prove that the reduction of HIV/AIDS cases was a result of this particular program, rather than influence of any other factors. To determine the policy effectiveness it is necessary to take into account the direct results of the policy (products) or policy final outcomes (consequences).

***Efficiency of policy (program)*** is the ratio between the cost of the policy and its achievements (sometimes – policy products, and sometimes – policy consequences). Efficiency can be measured both in physical terms (as productivity) and in value – if it is possible to give pecuniary valuation to all costs and benefits.

Sometimes during the analysis ***policy economy*** is allocated as a separate aspect of policy effectiveness.

Policies (programs) economy means that some fixed results are tried to be achieved with the least resources cost (or in the cheapest way).

**1. Economic analysis of public policy** is related to economic aspects of policy analysis, including:

(1) Substantiation that the problems cannot be solved by using market mechanisms, i.e. defining:

(A) The grounds for intervention (market failure) and

(B) The risk of interference (government failure);

(2) Definition of policy effectiveness and efficiency:

(A) The formulation of effectiveness and efficiency indicators,

(B) Choice of methods for assessing the efficiency and effectiveness of policy measures,

(Including costs and benefits analysis – CBA)

(C) Methodological and institutional support for CBA;

(3) Analysis of regulatory influences (ARI) of government intervention (economic, social, and political) and methodological and institutional support for ARI.

***Positive public policy analysis*** (“What's happening?”) – analysis of a certain situation or facts by means of measurable results;

***Regulatory policy analysis*** (“How should it be?”) – estimates the desirability of the facts identified by positive analysis.

## **2. Cost-benefit analysis as a method to determine the effectiveness of public policy**

**Cost-benefit analysis (CBA)** – is a method of quantitative analysis of the effectiveness of social programs and projects, resulting in the estimate of net social benefits from the results of the program.

**Net social benefits** – are the difference between social benefits and social costs.

**Social benefits** – is the total pecuniary value of positive results and effects of implementing programs for the society as a whole and for individual groups.

**Public costs** – total pecuniary cost estimate of resources spend for the program and losses arising from the implementation of the program for the society as a whole and for individual groups.

### ***Principles of costs and benefits analysis:***

- Consideration of “the point of view”
- Consideration of the interests of all stakeholders of the program
- Consideration of time value
- Using of undistorted (effective, “shadow”) prices in the assessment of costs and results
- Consideration of risks
- Identification of alternative options of the program implementation and focus on the most effective option

### ***Stages of costs and benefits analysis:***

1. Needs, limitations, objectives, goals, point of view.
2. Formulation of alternatives
3. Data on costs and benefits with their time line.
4. Discounting of benefits and costs taking into consideration real undistorted prices.
5. Deterministic analysis
6. Sensitivity analysis
7. Risks analysis
8. Guidance and recommendations for decision-making

**Evaluation environment.** Policy is formulated in a particular environment. In Ukraine, there is a large number of standardized regulations for program development, analysis of regulations, monitoring and evaluation. Among the latest related legislative acts it is worth mentioning the Decree of the Cabinet of Ministers of Ukraine on “The adoption of the procedure of development, implementation and monitoring of sector budget support programs of the European Union in Ukraine” (2011) and the Order of the Cabinet of Ministers of Ukraine “The issue of optimization of the budget programs quantity” (2011), which adopts the Optimization strategy of budget programs quantity.

Questions about the quality of implementation – program development, analysis of regulatory impacts, monitoring and evaluation – are quite complicated.



Considering Evaluation environment, it should be noted that the most important components include:

**Social environment:** cultural, ethnic, religious and other traditions, social structure of society, expectations, behavioral patterns and ways of interaction and relationship between them that are established in any society;

**Physical environment** incorporates:

- geographical characteristics: climate, natural resources, topography, architecture, etc.;
- demographic characteristics: size and dynamics of population, population settlement pattern, urban conditions, population age structure and other physical characteristics that define the lifestyle adopted in society;

**Economic environment:** economic system, content and activity of the economic life of society, including the nature of industry and trade, the relative wealth or poverty of the region covered by policy, the unemployment rate, the rate of economic growth, etc.;

**Political environment:** the political system, political institutions, power structures, legislation, political parties, civic organizations, special interest groups, lobby, dominating ideology, political culture, the current topical political problems.

**Stakeholders analysis – how important it is in policy evaluation?** Policy analysis should be aimed at identifying stakeholders - all those individuals (or groups of individuals) that are relevant to the *policy process* (as in government and outside government). So, stakeholders include every individual who is affected by the existence of the given problem and possible ways to solve it (the related costs, policy production and impact of policy implementation). These individuals are stakeholders of the policy process because they have a stake in it – and they must be taken into account in the policy process.

While conducting policy analysis it is necessary to consult with the two groups of stakeholders – the representatives of interest groups and interested government bodies.

**Interest groups** are institutionalized groups of members (it is possible to take into account both formal and informal bonds that unite the participants into the group), who have a common interest in the policy. A good example is a group of business interests, business lobby groups, political parties and movements. It is necessary to conduct appropriate consultations with the representatives of interest groups during policy process, especially before making any decisions.

Another group of stakeholders, representatives of which must be consulted, are interested government bodies – bodies that have the authority to address and coordinate the questions relating to the given policy process. The circle of such government bodies is outlined in the legislative acts or is determined by experts on the basis of reasonability.

Stakeholder analysis includes determination of the following:

- The views and attitudes of stakeholders, leaders, media, etc. to the problem (regarding who is affected by the problem and who can leverage the possible solutions / deepening of the problem);
- Institutions: institutions that support / deny decision.

The Ukrainian legislation refers to the concept of stakeholder as “the interested party”. In order to identify the interested parties the following questions should be considered:

- Who can benefit from the program?
- Whom it may affect adversely?
- Who are the advocates of the program?
- Who are the opponents of the program?

Interest measures should be assessed by means of the scale from 0 to 4, where:

- 4 is very interested
- 3 is more interested than not
- 2 is not interested
- 1 is opponents
- 0 is not known.

The assessment of influence of an interested party should take into consideration:

- Authority and status (political, social and economic) of each party
- The degree of organization
- Resources that can be mobilized by the interested party
- Unofficial influence
- Relations with other stakeholders

The assessment of influence of an interested party should be performed by means of the scale from 0 to 4, where:

- 4 is very influential
- 3 is quite influential
- 2 is rather not influential
- 1 is not influential at all
- 0 is unknown

The assessment of the level of significance should be performed by means of the scale from 0 to 4, where:

- 4 is very significant
- 3 is quite significant
- 2 is rather insignificant
- 1 is insignificant
- 0 is unknown

Stakeholders are the actors of the policy process, where the central figures are the policy producers, particularly the individuals that make decisions and policy analysts.

**Policy producers** – individuals who “make” policy, i.e. who are responsible for its development and decision-making in government bodies.

**Policy analysts** – are experts who conduct the preliminary analysis and prepare recommendations for those who order policy analysis.

***Public monitoring and its level in Ukraine.*** The draft concept of the program is published by the policy initiator in the official media and is posted on his Web site.

The initiator conducts public discussion of the concept of the program (board meetings, conferences, meetings), which result in preparing proposals that are taken into consideration during the finalization of the project.

State customer of the program organizes the publication of the final report on the results of the program implementation, excluding the report on the program implementation that contains information that constitutes state secrets, in the official media and places it on their website.

The institutions conduct public control over activities of executive bodies to solve problems that have social significance in the form of public monitoring of development and implementation of decisions, examination of their effectiveness, and provision of expert bodies of executive power with appropriate recommendations (According to the Decree of the Cabinet of Ministers of Ukraine number 1035 “On the approval of the Concept of the executive bodies’ promotion of civil society development”, November 21, 2007.)

Carrying out **Evaluation** it is important to compare “what really happened to that would have happened if the policy or program had never been fulfilled.” That is, what happened after programs or policies were implemented and whether the result was or was not due to them. Evaluation of policy or program is conducted in two areas:

- Negative impact of policy or program on the planned objectives;
- Actual (real) impact of policy or program.

As it has been already mentioned, Evaluation is considered as a stage of the policy cycle and its procedures are de facto applied at all stages of the cycle. That is, determining needs and resources, identifying problems, developing alternatives, consultation, stakeholder analysis, assessment of effectiveness, efficiency, impacts and others.

During Evaluation procedures the logical framework (objectives, products, measures, and resources) contains the following assumption: the external factors are unmanageable, but have an impact on objectives, results or activities, and consequently, are necessary to be taken into account.

***Goals and objectives of government programs evaluation.***

## 1. Content of public policy: problems, goals and tools.

*Content of the public policy* covers definition of the problem and goals and tools of its solution.

*Policy Objectives* is what the policy seeks to achieve, its goals and direction.

Formulating the goals it is necessary to proceed from the values declared in the society (sometimes strategic policy priorities can act as values). Policy analysis is conducted from the point of view of policy values.

Policy objectives should be of external nature in relation to the problem: it would be a mistake to choose as a policy objective the problem that causes this policy. Policy objectives are specified in the tasks / problems of the policy

Taking into consideration the policy objectives, alternative ways to achieve goals are developed. They include a set of measures – certain clearly defined steps to be taken to resolve the problem.

Therefore, there is such a logical chain:

Social **values** → **goals and objectives** of policy → alternative **strategies** to achieve goals → **measures** to implement strategies.

In general, goals are classified into two groups:

- The main (independent) goals – values that the society maintains and guarantees per se. These include: human dignity, justice, effectiveness of self-consciousness and self-realization, morality, etc.;
- Instrumental goals – conditions that facilitate the achievement of the main (independent) goals. They are often called constraints (limitations).

**Objectively Verifiable Indicators (OVI).** Describe the objectives in measurable terms, providing the basis for evaluating performance results.

Thus, it would be evident whether a certain condition/result has been achieved or not.

Definition of indicators:

- Define quality
- Define target group
- Define location
- Determine the number
- Define time
- **SMART** (autonomous analytical reporting procedure)

Specific

Measurable

Available

Realistic

Time-bound

*Another method of analyzing policy effectiveness – is cost-effectiveness analysis.* It is a method of quantitative comparison of the results of public programs (projects) with the social costs associated with the implementation of the program (project).

### **Analysis of Policy Regulatory Impact. Policy Effectiveness**

Regulatory Impact Analysis – is a document that contains the justification for government regulation by adopting a regulatory act, analysis of the impact that the regulatory act will have on the market environment, securing of the rights and interests of businesses, citizens and state, and the clarification that the regulatory act adheres to the principles of state regulatory policy (law [9, art. 1]:

- (1) Identify and analyze the problem, which is proposed to solve by means of state regulation of economic relations and to assess the importance of this problem;
- (2) Explain why a certain problem cannot be solved by market mechanisms and requires government regulation;
- (3) Identify the expected results of adoption of the proposed regulatory act, and provide the calculation of the expected costs and benefits of economic entities, citizens and the state as a result of the regulation;
- (4) Define the goals of government regulation;
- (5) Identify and evaluate all reasonable alternative means of achieving the set targets, including those that do not involve direct state regulation of economic relations;
- (6) Argue the benefits of the chosen method of achieving the stated objectives;
- (7) Describe mechanisms and measures that will ensure that a certain problem is solved by adopting the proposed regulatory act;
- (8) Substantiate the possibility of achieving the objectives in case the proposed regulatory act is adopted;
- (9) Reasonably demonstrate that achievement of the objectives by means of the proposed regulatory act is possible with the least cost to businesses, citizens and the state;
- (10) Reasonably prove that the benefits that arise as a result of the proposed regulatory act will justify the related costs if the costs and / or benefits cannot be quantitatively determined;
- (11) Evaluate the possibility of implementation and meeting the requirements of the regulation act from the point of view of the resources that are managed by public authorities, local governments, individuals and legal persons who must implement or enforce these requirements;
- (12) Estimate the risk of the external factors impact on the effect of the proposed regulatory act;
- (13) Justify the proposed duration of the regulatory act;
- (14) Define the indicators of regulatory act effectiveness;
- (15) Define the measures by which the effectiveness of the regulation will be assessed act in case of its adoption.

### **Indicators of regulatory act effectiveness:**

Estimated values of the regulatory act effectiveness are set during different periods after the adoption of the act. The following indicators are a must:

- size of the income to the state and local budgets and state funds related to the operation of the act;
- number of businesses and / or individuals, who are affected by the act;
- amount of money and time entities and / or individuals will spend, associated with the performance of the regulatory act requirements;
- the level of awareness of businesses and / or individuals of the main provisions of the act.

### ***Definition of policy effectiveness indicators and criteria of the policy objectives achievement***

In order to determine the policy effectiveness, it necessary to clearly define the goals (problems) of the policy in advance: for each goal (task) it is necessary to formulate a criterion - formal sign of achieving this goal. Using these criteria it is possible to estimate the probability that all objectives will be achieved or the whole complex of tasks will be performed.

The appropriate model should include the formulation of (1) common goals, to achieve which the policy is developed, (2) specific objectives, implementation of which contributes to the achievement of the set goals, (3) criteria to determine the level of task performance and (4) precise indicators to measure how these criteria are satisfied.

Criterion defines a specific value that measures the level of achievement of goals and objectives, which is considered sufficient to recognize that the problem is solved. Every goal and objective should have its own criterion system of criteria (if one criterion does not disclose all of the major measurable aspects of a goal / task).

Costs [input] - are the resources needed to implement the policy.

Product [output] of policy - a direct result of policy implementation.

Impacts – can be expected and unexpected, desirable and undesirable, short- and long-lasting.

Impacts form results/consequences [outcome] of policy - policy product taking into consideration all influences.

### **Performance auditing of government programs**

Performance auditing is a preparation of an independent evaluation of the efficiency, effectiveness and economy of government measures, programs and activities of government structures in processes of social transformation and is carried out to determine:

- Whether methods of public structures in social transformations are efficient and effective, and if not, why;
- Whether government programs are efficient and effective, and if not, why;
- Whether it is possible to improve efficiency and effectiveness of state programs and practices of

the state structures in social transformations and, if possible, how to do it.

### **Types of evaluation**

Evaluation is based on different approaches and generally the following general types should be distinguished:

- Formative – gathering of information that provides feedback during the development of policy direction, which improving assessment;
- Final - after the formation of policy directions is complete.

Depending on the task facing experts the following types of evaluation can be enuerated:

#### **1. Evaluation of a series of actions / measures:**

- provides the conceptual answer to the question of the consistency of the program (logical relationship between cause and effect);
- provides the conceptual answer to the questions about the operating logic and sequence of actions within the program.

Evaluation of a series of actions / measures enables the experts to evaluate the sequence of stages of work accuracy and identify the level and nature of the impact of such a sequence on the efficiency and effectiveness of the program.

**2. Preliminary assessment of the operating strategy** – is implemented before the start of the program. It helps to understand how individual parts of the program interact both with each other and with the resources necessary to implement the program. Such evaluation helps to answer the following questions: are there enough appropriately trained human resources, necessary to implement the components of the program? Will financial, technical and other facilities for the program be provided timely and according to the schedule, etc. In addition, this evaluation helps to determine whether the goals of the program correspond to the current situation (which may change over time), whether the resources, required to implement the program, are correctly identified, etc. In general, this type of assessment helps to minimize risks.

**3. Evaluation of implementation process** – provides the detailed information on whether there is a realization of the program according to the plan, and whether beneficiaries feel and perceive short-term results of the program. This assessment complements the feedback and therefore helps the management.

**4. Evaluation by means of individual situations studies (case study)** - helps the management of the program to learn from examples of successful and unsuccessful experiences in similar situations in order to repeat the decision or, conversely, just look for others. In this case, the force of decisions is crucial.

**5. Evaluation of long-term effects of program, or evaluation of impact** - conducted usually 3-7 years after the completion of program (or set of programs) in order to determine its real influence on society. This evaluation reveals the true cause-effect relationships between the established aims and

results.

6. Mega-evaluation is intended to combine the results of multiple assessments (short-, medium-, and long-term), the known research, etc. on the same issue. Thus, using common criteria and aggregating diverse data, conclude about the reliability and validity of the results.

### **Evaluation Forms**

- **Appraisal:** a critical inspection of potential value (utility) of a program, made before the decision to start its implementation.

- **Monitoring:** continuous monitoring of progress of the program to determine compliance with the plan and take the necessary decisions to improve operations.

- **Review:** periodic or special, often quick assessment in order to determine the status of the program, which is not evaluated by usual methods. Critical reviews are usually applied to operational issues.

- **Inspection:** general test, designed to identify weaknesses and malfunctions and to propose ways to fix them.

- **Investigation:** a special investigation of a statement on the violation and providing evidence for possible prosecution or disciplinary proceedings.

- **Audit:** determining of the adequacy of management controls to ensure: the effective use of resources; preservation of funds; reliability of financial and other information; its compliance with effective legislation, policies, and applicable rules; the effectiveness of risk management; adequacy of organizational structure, systems and processes.

- **Research:** systematic study designed to create or develop knowledge.

- **Internal management consulting:** consulting services, designed to help management implement changes caused by organizational and managerial problems, and improve internal work processes.

### **Classification and definition of program indicators**

Indicators are the foundation of any monitoring. Indicators are the means by which monitoring is carried out. They serve to determine the level of progress concerning program specific tasks or expected results (short and medium term) and others.

Indicators describe the program in operationally measured values, such as quantity, quality, type of beneficiaries, time, location, etc. For the purposes of monitoring different types of indicators can be applied.

### **Direct and indirect indicators**

Direct indicators are those which are applied in cases when changes in the object of observation can be directly observed by the subject. This usually concerns short-term results. Direct indicators are more accurate, more complete and more appropriate for the immediate use.

Indirect indicators are used instead of direct indicators or in addition to them. They are used in cases



when the achievement of results (or failure) (i.e. changes in the observed object):

- cannot be fixed and measured directly, but only indirectly, such as quality of life, organizational development, etc;
- Can be directly measured, but the cost of such measurement would be unreasonably high;
- Can be measured only after a considerable lapse of time when the event / program is finished.

### **Quantitative and qualitative indicators**

**Quantitative** (statistical) indicators – are indicators that are quantified and indicated by such formulations as the number, frequency, percentage, proportion, etc. Quantitative indicators can describe, for example, the following: the frequency of meetings and number of participants, the rate of economic growth, indicators of climate, productivity, price, etc.

**Qualitative** indicators (opinions, evaluation, perception and attitude) – are indicators that do not have quantitative expression and may be expressed by the following formulations: availability, compliance, quality, level, satisfaction, awareness and so on. Depending on the needs of the program, quality indicators can describe, for example, the attitude of stakeholders and consumers to a given fact, the level of their satisfaction, capacity for decision making and self-esteem, behavior change, and so on.

In practice it is desirable to maintain a balance between quantitative and qualitative indicators. It is important that stakeholders defined the indicators jointly at the stage of the program planning.

### **Indicators of process and outcomes of the program implementation**

With the help of the **indicators of program implementation outcomes** it is possible to determine and estimate such issues as the introduced technology, printed and distributed training materials or growth of the household incomes, etc.

**Indicators of program implementation process** are usually qualitative and are designed to determine how technology was developed and implemented, how increase in income was achieved and who contributed to this.

Some of these indicators may be subjective and therefore end-users or participants of the event (project) may be asked to confirm or disprove the existence of a result. The source of information in such cases is also subjective.

### **Intermediate and final indicators. Inter-sectoral indicators**

*Intermediate indicators* are established in order to determine the outcome in certain periods or stages of the program. So they actually serve as benchmarks or milestones for achieving the expected final results.

**Indicators of final results** of the program are inherently summarizing indicators.

Indicators that reflect the specific features of a particular industry or sector (e.g., indicators of agricultural development), and purely technical indicators must be balanced by means of the addition of other indicators, which are inter-sectoral in nature and designed to reflect, for example, issues of social

development, gender equality, environmental security, development of civil society, etc.

### **Identification and selection of indicators. Criteria for selection of indicators**

A wide range of different criteria is used in order to select indicators. They are as follows:

**Relevance:** Does the indicator provide a possibility to measure progress of certain stages of the program and the achievement of its objectives?

**Sensitivity:** If changes occur, will the indicator be sensitive to them?

**Simplicity and accessibility:** Is the information available for the collection and will it be easy to collect?

**Reliability:** Will the data needed for the indicators be reliable and comparable over time?

**Simplicity:** Is it difficult to calculate the value of the indicator?

**Usability:** Will the received information be used for decision-making and experience sharing?

**Objectivity:** Can everyone familiar with the data reach a general conclusion?

**Cost-efficiency:** Will the cost of obtaining information be comparable with the benefit from monitoring?

**Representation:** Will the indicator provide a possibility to estimate representation of different of age groups, gender, beneficiary, etc.?

### **Evaluation: obstacles in determining the success / failure of a policy**

- **Uncertainty about the policy goals.** If the policy goals are vague and poorly defined, it certainly complicates the process of determining the level of their implementation. That is why it is necessary to obtain the support of the majority coalition, sharing different values, interests, etc.

- **The difficulty of establishing causality.** As long as policy evaluation requires determinization of social changes, there appears difficulty of establishing their cause-effect relationships.

- **Dispersion of policy impact.** Given that the policy has an impact both on the groups which it targets, and on other groups and individuals, it is necessary to take this additional impact into account because it can be both symbolic and material, and in consensus conjunction.

- **Difficulty in obtaining data.** This is a very serious obstacle in the practice of evaluation. Analysts and experts from their own experience are aware of the lack of adequate and accurate data and impartial information to identify the real impact or consequences of a policy.

- **The official resistance.** Publication of data and information on effectiveness and efficiency of policy implementation can trigger official resistance to the disclosure of negative effects of activities of administrative bodies or individuals. Official resistance shows itself in attempts to de-emphasize evaluation, denial of access to information, media, prevention, structural pressures or personal impacts. It is also necessary to take into account the organizational inertia - resistance to any changes of the organization as a structure.

- **Time limits.** This issue has already been repeatedly emphasized. Time constraints are the major

obstacle in conducting assessment, as politicians expect rapid social change, as opposed to structural ones, while managers try to slow down this rate. Time factor is an essential element of evaluation, because it allows taking into account long term effects of policy.

- **Ignoring the consequences of assessment.** "Inappropriate" evaluation results can be criticized, ignored or recognized as mistaken. Arguments for the recognition of evaluation mistaken are:

- Imperfect structure of the program
- The use of inadequate data
- Erroneous conclusions

Barriers and obstacles for evaluation.

Weaknesses and strengths of evaluation in policy analysis.

Program as policy implementation instrument: Ukrainian variant.

SMART-goals approach for program evaluation.

Potential and problems of program evaluation.

Future of program evaluation.