

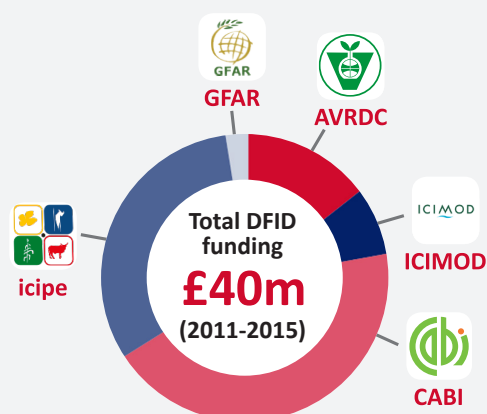
# Evaluation Brief: DFID's Performance Management Funding of International Agriculture Research Centres



## Introduction

A programme called **Support to International Agriculture Research Centres (IARCs) that Benefits Poor People** funded five Centres between 2011 and 2015. It initiated a Performance Management Funding Mechanism (PMFM) which combines 'core' multi-year funding with limited performance related payment to centres. The PMFM was intended to encourage IARCs to generate more high quality research outputs and strengthen specified organisational behaviours.

## Funding



**GFAR** The Global Forum on Agricultural Research (GFAR) is the world's agricultural research for development community working together to transform and strengthen agri-food research and innovation systems.

**AVRDC** The World Vegetable Center is committed to alleviating poverty and malnutrition in the developing world through the increased production and consumption of health-promoting vegetables.

**ICIMOD** The International Centre for Integrated Mountain Development

(ICIMOD) is a regional intergovernmental learning and knowledge sharing centre serving the eight regional member countries of the Hindu Kush Himalayas.

**icipe** The International Centre of Insect Physiology and Ecology is a scientific research institute that works towards improving lives and livelihoods of people in Africa.

**CABI** Centre for Agriculture and Biosciences International is a not-for-profit organisation that provides information and applies scientific expertise to solve problems in agriculture and the environment.

## Questions and findings

*How effective was the PMFM in delivering high quality research, agreed results and value for money? And can DFID improve the effectiveness of performance management funding of research in the future?*

The evaluation concluded that the PMFM has been **generally effective** in delivering high quality research, the agreed results, and value for money. However, **DFID can further incentivise** research centres by continuing to engage in **positive dialogue** with IARCs through the PMFM; to exercise thought leadership by **identifying high priority goals** for each centre; and to develop **greater internal clarity** about how to measure performance of each centre.



### What worked well

- IARCs greatly valued the unrestricted multi-annual nature of the funding provided through the PMFM. It provided them with the financial stability they needed to be able to take a more strategic and efficient approach to fundraising, thus freeing up time for scientific work.
- Receiving "core" rather than project-specific funding from DFID also allowed the IARCs to invest in building institutional capacity. Strategic planning, monitoring and evaluation, gender and impact assessment are all key areas that benefited from this model, as well as ex-post evaluations that project funds do not allow for.



### What didn't work so well

- A Theory of Change would have enhanced the design of the PMFM by improving the IARCs' understanding of DFID's expectations. By working with each research centre to discuss and define processes, outputs, outcomes and expected impacts early on, this would have led to greater clarity on performance targets and how progress would be measured.
- While the IARCs performed well in achieving the two main outputs, more opportunity for discussion and consensus-building around the definition of the performance indicators would have been helpful, for example those relating to research publication, case studies, gender and impact assessment (see overleaf).
- At the time of the evaluation only two Centres had been awarded performance related payments. So experience here is limited and evolving. Nevertheless, the findings questioned the effectiveness of this element. First, the inability to plan strategically for the use of performance related payments was noted. Second, there was some evidence to support wider research which suggests that failure to receive performance related payments can be regarded as punitive, potentially discouraging rather than incentivising performance.

## How the programme adapted

Greater dialogue, clarity and guidance to Centres enhanced their understanding of how performance was measured, and improved it as a result. This was achieved through the performance review process which, over time, provided more opportunities for two-way communication, including visits from DFID.



## Shared understanding of performance indicators improves results

**Output 1. Centres generating high quality research output** was measured in terms of 'numbers of research publications (*including the number in peer-reviewed journals*) and production of *high quality case studies* made available for publication demonstrating impacts at scale, and responding to issues of climate adaptation, empowerment of women, food and nutrition security'.

IARCs performed well in meeting deliverables in this area. However, the evaluation found that, at first, there was a lack of consistency in the understanding of DFID and the IARCs in the definition and nature of a 'case study'. As this became clearer over time, case studies became more strongly evidenced, and the Centres' recognition of their value also increased.

Likewise, the publishing of journal articles was also an area in which the evaluation identified nuances that would have been useful to clarify at design stage. For example, the type of scientific research and the target audience for dissemination are key considerations in determining the IARCs' publication strategies, which might include publication in open access journals which are not rated in the same way as other higher impact journals. Agreement on how to accommodate these issues during indicator definition may have improved the performance measurement in this area.

## Evaluation methodology

The evaluation of the PMFM was guided by the OECD-DAC analytical framework and assessments were carried out along the lines of relevance, effectiveness, efficiency, impact, and sustainability criteria. The evaluation developed a Theory of Change (ToC) as an analytical framework, and conducted a stand-alone Value for Money assessment to support the analysis. The evaluation team employed a mixed methods approach, including the following qualitative and quantitative research methods:



**Desk-based review** of documents and secondary analysis of data.



**Small sample survey** to gather the views of other donors, semi-structured interviews with staff and counterfactual centres.



**Focus group discussions** with end users of the IARCs' outputs and commercial and other implementation partners.



**Field visits** to IARCs' headquarters/main office and select demonstration/project sites.

## Wider learning



- **Core rather than project-specific funding** is of great benefit to research institutions and cost-effective for donors in terms of transaction costs. There is potential to increase the impact of such funds by providing greater direction in their use, within a strong performance management system.
- Performance measurement can support the achievement of value for money to donors. However, the design of such systems **must be based on a participatory process** that will enhance understanding of donors' expectations and capacity of research institutions to respond to those. Tools such as a Theory of Change can greatly facilitate this process.
- An **effective performance review mechanism** that allows for two-way consultation is of great value to both donors and beneficiaries to enhance understanding and identify areas where performance needs to be improved.
- **Financial incentives** such as performance related payment to centres should be carefully considered and their effectiveness examined vis-à-vis other non-financial options. Financial awards to supplement core funding are an option that might be considered in order to support specific investment opportunities. Any framework should be designed carefully in order to ensure that use of funds can be properly planned.
- **Sharing of information** between donors on innovative funding mechanisms might improve their design or implementation, but this can only occur through effective dissemination. Simple options such as a web page or factsheet available through Centre websites would be a good start in achieving this.

