

Using impact evaluation to enhance development impact

Caio Piza

DIME, World Bank

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Provocative thought experiment!

- Say that you're about to start a program that is intended to be offered at state level
- Program's main goal is to increase survival rate and productivity of small and medium-sized firms
- Political economy issue: once a program starts it is VERY difficult to discontinue it – even if it's proven ineffective

What to do?



What to do?

- Option 1: launch the program at scale and keep fingers crossed!
- Option 2: launch the program at scale and check from time to time whether outcomes are moving in the expected direction
- Option 3: launch the program at scale and do an evaluation 1-2 years later to check if it is achieving its goals
- Option 4: launch the program as a pilot and conduct a rigorous impact evaluation to first understand:
 - If it works and how
 - Who benefit most -- target population, design, and budget allocation
 - The implementation challenges

What do we mean by ‘impact evaluation’?

- Impact evaluation is all about **attribution**. One wants to **isolate** the effect of an intervention/program on the outcomes of interest
 - **Goal:** identify causal effects
- Impact evaluation ≠ Monitoring evaluation!
 - Monitoring cannot be used to inform impacts
 - Monitoring very useful to inform on the implementation

What evaluation?

- ~~Traditional evaluation (retrospective, external, “independent”) is too little too late~~
 - ~~Evaluation reports, really?~~
- Operational, problem-driven, counterfactual evaluation across all stages of policy design and implementation and in close collaboration with implementing agencies can help
 - Systematic step by step use of high quality data and evidence for better decisions

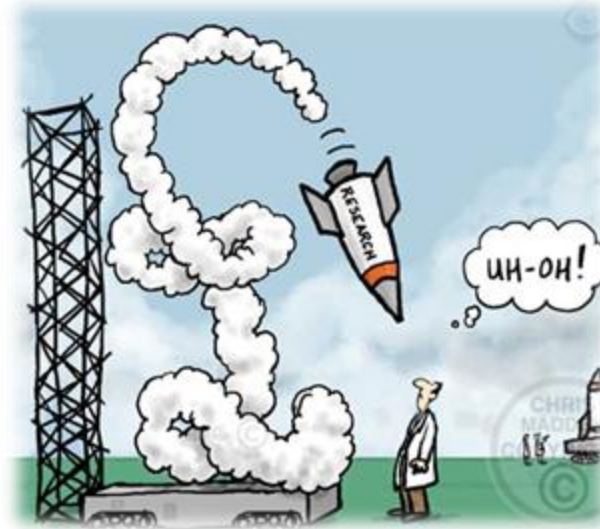


"OK, all those in favour of delegating decision-making, shrug your shoulders"

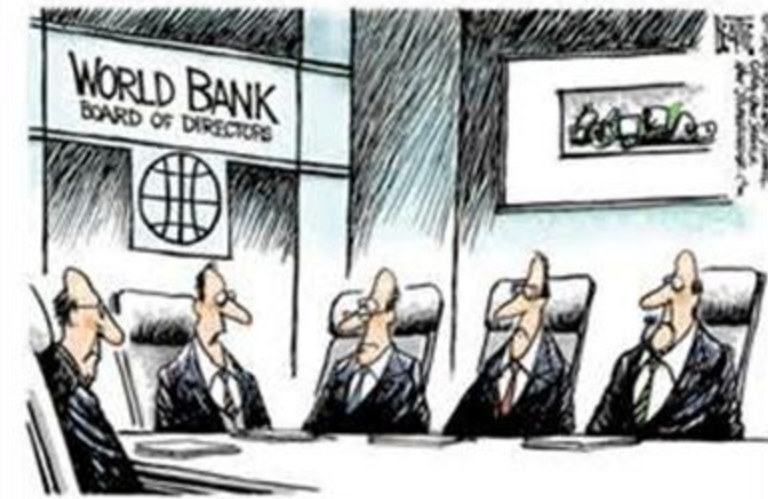
Empower policy people to exert control on their local environment

the idea

Invest in impact evaluation research



generate useful evidence and motivate change



"We better get rid of Woffowitz . . . BEFORE he gets another girlfriend."

Capitalize on the billion \$ investments by IFIs to pilot ideas and exert influence

Impact evaluation methods to test 'ideas' (hypothesis)

- Impact evaluation can be *experimental* or *quasi-experimental*
 - Experimental: randomized controlled trials (RCTs)
 - Quasi-experimental: try to get as close as possible to RCTs
- Impact evaluation can be either *retrospective* or *prospective*

How to fix the average development project



1. Strengthen policy people capacity & understanding
2. Work through theory of change of policy design
3. Focus on data and measurement systems
4. Test solutions to policy failure using RCTs
(take-up, principal-agent, tragedy of the commons, etc.)
5. Measure program effectiveness

om #11735 service@tc

The Brazilian Portfolio/Agenda

- The WB, through DIME and local staff, is supporting and conducting impact evaluations of many programs
- The main areas have been Education, Agriculture, and Private Sector Development
- Growing interest in Governance, Transport, Gender-Based Violence, Edutainment

Obrigado!

- <http://www.worldbank.org/en/research/dime>
- Contato: caiopiza@worldbank.org