

## **WORKSHOP:**

### **Internalized Self-Evaluation: *An approach toward sustainable evaluation within organizations***

*(Malaysian Evaluation Society Conference 2006)*

Presenter:

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**Paper Title:**

**Internalized Self-Evaluation:  
*An effective and sustainable approach to managing for results***

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**Abstract**

An approach to program evaluation suggested in the author's conference paper\* is based on a collaborative approach to mixing internal and external evaluation advisors and evaluation approaches.

This workshop aims to introduce some of the methods used by the author to suggest how organizations may plan, manage and self-assess their maturity and sustainability of self-evaluation as a basis for internalized *self-evaluation*.

To enable sustainability of an organization's evaluations, in the author's view, there needs to be a self-assessment of the maturity of the organization's approach to internal evaluation. Participants will be introduced to an evaluation framework which can be developed to guide an integrated strategic approach to evaluation across the whole organisation. Participants should be able to self-assess their organization's capability maturity in evaluation using a new instrument developed by the author. Participants will be encouraged to discuss the feasibility of using this new tool in their contexts.

**PROPOSED SCHEDULE FOR THE WORKSHOP**

<b>Time</b>	<b>Topic</b>	<b>Tools</b>
9.00am	Introductions Needs & Goals Workshop <i>Overview</i>	Goal Attainment Scaling form
11.00am	Models of evaluation capacity building Organizational culture & collaboration in self-evaluation	USA – GAO's model of building agency capacity in program evaluation  Love's internal evaluation stages
12.30pm	Lunch Break	
1.30pm	Competency & capacity building Succession planning	Nowack's competency-based succession planning
3.30pm	<i>A Strategic Evaluation capacity model</i>	Organisational Evaluation Capability Hierarchy
4.30pm	Discussion & finish	

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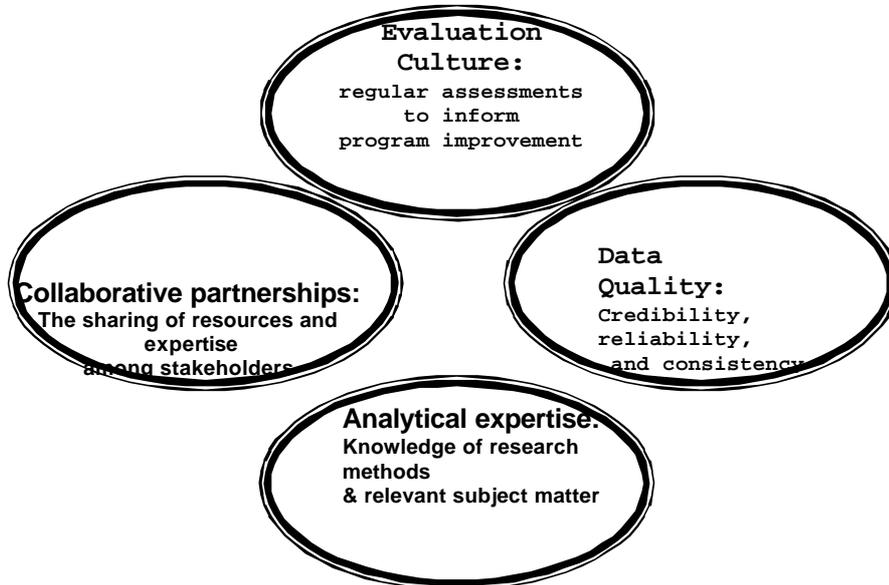
\* **NOTE:**

This workshop paper is based on the address for the *Malaysian Evaluation Society Conference* by the author delivered in Kuala Lumpur, 27<sup>th</sup> March, 2006, and the paper published in the *Evaluation Journal of Australasia* (Sharp, 2005). The author expects participants in the workshop to be familiar with the ideas raised in the conference paper.

## INTRODUCTIONS

The renown expert on internal evaluation Dr Arnold Love (1991, p. 2) defines Internal evaluation as “the process of using staff members who have the responsibility for evaluating programs or problems of direct relevance to an organization’s managers.” He draws the distinction from *external* evaluation which involves external consultants, academic researchers, or external funding agencies, because:

**Program Evaluation:  
An Evaluation Culture and Collaborative Partnerships  
Help Build Agency Capacity**  
General Accounting Office of the US Congress  
Report GAO-03-454 May 2, 2003  
Based on: <http://www.gao.gov/docdb/lite/details.php?rptno=GAO-03-454>



How does your organisation rate with regard to the four elements identified by the GAO for the development of evaluation capacity:

1. **an evaluation culture:** yes don't know no

Does it regularly engage in evaluations of programs. Do managers value and use evaluations to test out new projects, policies or to regularly monitor progress in terms of the goals of the organisation. (Please give an example):

2. **data quality:** yes don't know no

Does your organisation engage in data collection about programs and/or clients that were valid, reliable, and consistent across projects or programs or seek assurance that evaluation findings were appropriate and useful. (Please give an example):

3. **analytic expertise:** yes don't know no

Does your organisation recruit select and hire people with appropriate analytic expertise to be able to produce rigorous and independent assessments of data and evaluations. What areas of expertise were sought by your organisation, that were relevant to the evaluation of the program or field of service? (Please give an example):

4. **collaborative partnerships:** yes don't know no

Has your organisation formed appropriate collaborations with program partners and others to get the most out of available data, resources and expertise to obtain performance information or conduct evaluations. (Please give an example):

Any other comments?

**Table 1: Developing *Internal Evaluation Capability***

(Love's 1991 Table 2.4, p. 31)

**Developmental Stages of Internal Evaluation Capability**

<b>TYPE OF EVALUATION INFORMATION MANAGEMENT</b>	Inconsistent	Individual managers Accountable	Formal Planning and Control	Standardized definitions and measurement	Shared data across functions	Evaluation information resource management
<b>FOCUS</b>	Individual projects	Operational level	Management control level	Management control level	Management control level	Strategic planning level
<b>PRIMARY USERS</b>	Scattered	Front-line managers	Middle managers	Middle managers and Senior managers	Middle managers and Senior managers	Senior managers
	<b>Stage 1 <i>Ad Hoc</i></b>	<b>Stage 2 <i>Systematic</i></b>	<b>Stage 3 <i>Goal</i></b>	<b>Stage 4 <i>Effectiveness</i></b>	<b>Stage 5 <i>Efficiency</i></b>	<b>Stage 6 <i>Strategic Benefit</i></b>

**Table 2: Internal Evaluation Stage Model**

(Love's 1991 Table 3.4, pp. 56 - 57)

Management Questions and Evaluation Methods at  
Each Stage of Evaluation Capacity

Stage	Management Questions	Evaluation Methods
<b>Systematic Evaluation</b>	Who needs this program? Who needs it the most? Who uses this program? What are the program components? What are their causal relationships? What are the levels of client acceptance and client satisfaction with this program? What is the quality of the products or services produced by this program? How well does this program rate against accepted standards?	Needs Assessment Program Utilization Evaluability Assessment Client Satisfaction Quality Assurance Self-Study
<b>Goal Evaluation</b>	What are the goals of this program? What are the indicators of goal achievement? What is the program plan and budget? Are income and expenditure meeting budget targets? Are key program and organizational goals being met? How well are program efforts and outcomes meeting targets? Are program milestones being met?	Goal Definition Budgeting Budgeting Management By Objectives Goal Attainment Scaling Program Monitoring
<b>Effectiveness evaluation</b>	Is this a good program? Is the program producing the intended outcomes? Evaluation What are the areas for improvement? Is this program better or worse than a competing program? What are the costs for a given level of outcome? What are the problems common to all programs and their solutions?	Monitoring of Outcome Indicators Monitoring of Outcome Indicators Comparative Outcome evaluation Cost-Effectiveness Evaluation Quality Assurance Reviews
<b>Efficiency Evaluation</b>	What programs are inefficient? Is the program meeting its goals for the quantity of program activities? What problems are affecting efficiency? How can they be corrected? What are the relationships among income, costs, and program outputs?	Managerial Accounting Monitor Efficiency Goals Internal & Operational Audits Quantitative Modeling
<b>Strategic Benefits Evaluation</b>	What are the characteristics of the external environment? What markets are being reached by the program? What organizations support the program? What is the future demand for services? What are the long-term benefits and costs of the program? Are the program's benefits being distributed fairly? Are the intended stakeholders receiving the benefits of the program	Environmental Scan Strategic Market Analysis Network Analysis Forecasting Benefit/Cost Analysis Equity Analysis Political Rationality Analysis

**Table 3: Applying the *Internal Evaluation (IE) Stage Model***

(Adapted from Love's 1991 Table 3.4, pp. 56 - 57)

Management Questions and Evaluation Methods at  
Each Stage of Evaluation Capacity

Stage	Your view?	Organisation's Policy?	Comments? what evidence?
<b>Ad Hoc</b> Is <i>internal</i> evaluation occasional, <i>ad hoc</i> &/or used in isolation from regular operations?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	
<b>Systematic Evaluation</b> Is <i>internal</i> evaluation descriptive, &/or planned &/or used as part of regular operations?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	
<b>Goal Evaluation</b> Is <i>internal</i> evaluation focused on mission or goals, &/or 'what should be'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	
<b>Effectiveness evaluation</b> Is <i>internal</i> evaluation focused on planned information needs of managers & the organisation's control systems?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	
<b>Efficiency Evaluation</b> Is <i>internal</i> evaluation focused on accountability and efficiency of management of programs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	
<b>Strategic Benefits Evaluation</b> Is <i>IE</i> a strategic tool for managers to assess costs and benefits of products or services? Is <i>IE</i> part of organisational policy or strategy?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know	

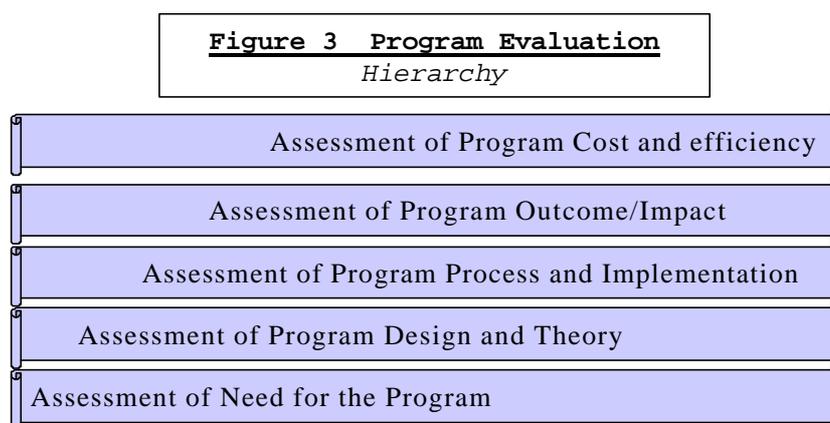
**Group Discussion**

1. Is there a difference between your view and that of the policies of your organisation?
2. If so what does this tell us about the approach to evaluation management in your organisation, assessed by whom? in what context?
3. If you were planning a budget for an evaluation in your organisation would this questionnaire be useful?
4. How valid is the comparison of the your view (self perception) vs your perception of the organisational view (organisational climate) or policy?



## EVALUATION CAPABILITY IN ORGANISATIONS

Often these organisational models are ahead of evaluation theory in terms of viable models of organisational evaluation capacity building (Duttweiler & Grogan, 1998; Sharp, Winston & Bhagwandas, 1986). In the evaluation literature there have been various attempts to classify the relationships between the many different types of data collection and decision oriented approaches to evaluation of *programs* or *projects* rather than *organisational capability* (e.g. see Owen & Rogers, 1999; Patton, 1997; Scriven, 1991). For example, one of the longest published books on evaluation (Rossi, Lipsey & Freeman's 2003), in its seventh edition has recently summarised the progression of evaluation questions in the form of a program evaluation hierarchy for (see Figure 3).



In Figure 3 Rossi, Lipsey & Freeman (2003, pp. 79 - 81) identify an hierarchy of relationships between different types of evaluation questions and the issues which are the focus of program evaluations.

"We can think of these evaluation building blocks in the form of a hierarchy in which each rests on those below it. The foundation level of the evaluation hierarchy relates top the need for the program. Assessment of the nature of the social problem and the need for intervention produces the diagnostic information that supports effective program design, that is, a program theory for how to address the social conditions that program is intended to improve. Given a credible program theory, the next level of evaluation is to assess how well it is implemented. This is the task of process or implementation evaluation. If we know that the social need is properly understood, the program theory for addressing it is reasonable, and the corresponding program activities and services are well implemented, then it may be meaningful to assess program outcomes. Undertaking an impact evaluation to assess outcomes thus necessarily presupposes acceptable results from assessments of the issues below it on the evaluation hierarchy. If assessments have not actually been conducted on the logically prior issues when an impact evaluation is done, its results are interpretable only to the extent that justifiable assumptions can be made about those issues.

At the top of the hierarchy we have assessment of program cost and efficiency.

Pursuing questions about these matters is a relatively high-order evaluation task that assumes knowledge about all the supporting issues below it in the hierarchy. This is because answers about cost and efficiency issues are generally interpretable only when there is also information available about the nature of the program outcomes, implementation, theory, and the social problem addressed.

... When developing the questions around which the plan for an evaluation will revolve,

therefore, it is best for the evaluator to start at the bottom of the evaluation hierarchy and consider first what is known and needs to be known about the most fundamental issues. When the assumptions that can be safely made are identified and the questions that must be answered are defined, then it is appropriate to move to the next level of the hierarchy. There the evaluator can determine if the questions at that level will be meaningful in light of what will be available about the more fundamental issues.

By keeping in mind the logical interdependencies between the levels in the evaluation hierarchy and the corresponding evaluation building blocks, the evaluator can focus the evaluation the questions most appropriate to the program situation. At the same time, many mistakes of premature attention to the higher-order evaluation questions can be avoided." (Rossi, Lipsey & Freeman 2003, pp. 80 - 81)

However useful these inter-related evaluation questions might be to the Evaluator, or the program management they are still basically about *program* evaluation. They have not encompassed the next *systemic* level of evaluation, viz the *organisational* governance or *Strategic Evaluation* (Sharp, 1995, 1999). In order to address this important view, Sharp has attempted a version of Rossi et al's evaluation hierarchy which encompasses the spirit of the organisational project management capability maturity model (OPM3) and the Canadian Financial Management Capability Maturity Model (OAG-BVG, 1999a, b) in that the evaluation of the organisation's projects and programs or financial management are seen as integral to the overall performance of the organisational governance.

**Figure 4 Sharp's Organisational Evaluation Capability Hierarchy (OECH)**



Based on the CMM style maturity hierarchy and *program* evaluation hierarchy of Rossi et al (2003) we can postulate a progression of levels of organisational evaluation maturity.

### 1. Ad hoc evaluation

It is a fair assumption that all organisations have some form of basic monitoring of financial, and service performance as part of the essential management and control processes. At the basic level of the Organisational Evaluation Capability Hierarchy (OECH) it is expected that there will be evaluations (probably formative or summative, Scriven, 1991), but they are likely to be commissioned in an uncoordinated manner. There may be a Government or Departmental policy requiring evaluations to be done at the milestones of the project or at three yearly reviews of programs. The evaluations may be a funding requirement of the programs &/or projects, and as such there is a danger that evaluations are conducted as a compliance exercise, rather than intended as a systematic part of the organisational governance capability improvement. There may be lip-service to using evaluation in strategic planning. But this is still *ad hoc*, depending on budget reserves, rather than a mainstream integral component of the organisation's strategy.

### 2. Planned evaluation

Where there is a specific Government or Departmental policy requiring evaluations to be done at the milestones of the project or at three yearly reviews of programs, *and* there is a specialist evaluation advisory unit or a coordinated approach to program &/or project evaluations &/or operational benchmarking, there is a beginning to organisational evaluation capability. Here the more sophisticated organisations attempt benchmarking of specific projects or functions, as an approach to organisational diagnosis or organizational learning (see Sharp, 2001, 2002, 2003).

So for this second step in the OECH, the evaluations are funding requirements of the programs &/or projects. But this is still quite *ad hoc*, and dependent on budget reserves, rather than a mainstream integral component of the organisation's strategy. Evaluations may be used widely in strategic planning in the organisation, but it can still be seen as a compliance exercise, rather than intended as a systematic part of the organisational *governance* capability improvement. There is still no evaluation culture in the organisation (cf SSCSW, 1979).

The superseding levels assume that there is not only a planned approach but also the evaluation is integrated into all aspects of the organisation's strategy and management.

### 3. Integrated evaluation

The third level includes evaluation as an integral part of the strategy & program planning and implementation. This level would be close to the optimal approach to **organisational project management** (as in the OPM3) where there is the integration of evaluation as part of project implementation and improvement as a requirement of the organisation's strategic plans. Similarly the **Financial Management Capability Model** (FMCM, OAG-BVG, 1999a, b) managed level would be closely linked to this level of evaluation integration in overall organisational capability.

### 4. Meta-analytic - meta-evaluation, meta-analysis

This level assumes the subordinate levels of evaluation capability, but now focuses on a more sophisticated and systematic approach to evidence-based policy or "evidence-based practice" such as in "realistic evaluation" (Kazi, 2003; Pawson, 2002a, 2002b; Pawson & Tilley, 1997, 2001; Tilley, 2000). At this level the more sophisticated organisations attempt *Systemic* benchmarking as an approach to system diagnosis or organizational governance learning (see Leeuw, Rist & Sonnichsen, 1994; Sharp, 2002; 2003).

There may be a level of involvement of the Board of Directors demanding better quality of evaluations and reviews, especially to address specific strategic management &/or organisational governance issues.

### 5. Strategic Evaluation – Board of Directors' and Management self-evaluation for good organisational governance

Levels 4 and 5 of the Organisational Evaluation Capability Hierarchy (OECH) may significantly overlap, depending on the sophistication of the evaluation of the policy, strategy and organisational

governance. It is at this level one would expect that the organisation is close enough to a truly *evaluative* organisational culture (cf Sedgewick, 1994; SSCSW, 1979). If the Board of Directors evaluate the organisational governance focusing *only* on the Board's oversight of the *Management and strategy* of the organisation, then the organisation's maturity seems to be at the lessor level. If the Board of Directors or the governing body of the organisation, not only demands and uses evaluations as part of the normal organisational governance *and the Board applies the same requirement to evaluation of the Board's and Directors' performance* then it is possible to suggest that this organisation is reaching the highest level of organisational evaluation capability.

Exercise : *Anecdotal* Organisational Diagnosis (OD<sub>x</sub>) using the  
Organisational Evaluation Capability Hierarchy (OECH) *Discussion Tool*

As part of the development of a clear evaluation capability in organizations try to identify which of the 5 levels or models of evaluation are found in your organisation. None of these levels is entirely distinct from the other, rather they are expected to be cumulative, and there may be considerable overlap or diversity across parts of the organisation. Referring to Figure 4 above and the description of the OECH levels, which (tick one from the left column) of these approaches to evaluation do you apply among your projects and programs? Which approach (tick one from the right column) does your organisation's top management or Board of Directors espouse (e.g., through strategic or operational planning documents)?

Your view?	Organisation's view?
Level 1 Ad hoc evaluation:	(Comments? what evidence)?
<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know

Level 2 Planned evaluation:	(Comments? what evidence)?
<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know

Level 3 Integrated:	(Comments? What evidence)?
<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know

Level 4 Meta-Analysis/Meta-Evaluation:	(Comments? what evidence)?
<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know

Level 5 Strategic Evaluation:	(Comments? what evidence)?
<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know	<input type="checkbox"/> Yes <input type="checkbox"/> Partial <input type="checkbox"/> No <input type="checkbox"/> Don't Know

Exercise 4: Discussion Questions

1. *Is there a difference between your view and that which you perceive your organisation (or its Executive) professes on a specific project or program evaluation?  
(please describe briefly)*
  
2. *If so what does this difference tell us about the variety of approaches to evaluation in different organisation contexts?*
  
3. *What does such a difference mean in terms of the role of the Evaluation practitioner, vis-à-vis the Boards of Directors, in evaluation?*
  
4. *If you were planning an evaluation in your organisation would such organisational diagnosis (OD<sub>x</sub>) or a detailed questionnaire be useful? (please explain briefly)*
  
5. *How valid is the OECH model? (please explain briefly)*
  
6. *Does it assist your perception of the organisational capability for evaluation?  
(please explain briefly)*

Any other comments?