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# Policy Framework for the Government-wide Monitoring and Evaluation System

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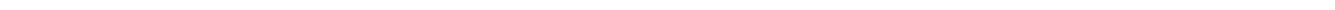
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## What you should know ...

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After reading this policy framework for Government-wide Monitoring & Evaluation, you should understand the following critical issues:

- Key monitoring & evaluation (M&E) concepts and principles
  - The importance of M&E as a tool for the public sector to evaluate its performance and identifying the factors which contribute to its service delivery outcomes
  - The composition of the Government-wide Monitoring & Evaluation (GWM&E) system and intended outcomes
  - The relationship between institutional M&E systems and the GWME system
  - The relationship of the GWME framework to the three critical M&E data terrains:
    - Programme Performance Information;
    - Social, Economic and Demographic Statistics and
    - Evaluations
  - The role of M&E strategies and findings in supporting planning, budgeting, programme implementation, financial management and reporting processes
  - The roles and responsibilities of government officials as implementing agents of M&E
  - Capacity building interventions required to manage and effectively utilise M&E
  - The institutional arrangements of the GWM&E system and the legal mandate underpinning roles and responsibilities
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# PART ONE: UNDERSTANDING MONITORING AND EVALUATION SYSTEMS

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## 1.1 Why is monitoring and evaluation important?

### About this policy framework and its applicability

This document is the overarching policy framework for monitoring and evaluation in the South African Government. It sketches the policy context for supporting frameworks, such as National Treasury's Framework for *Managing Programme Performance information* and Statistics South Africa's *South African Statistics Quality Assurance Framework*. It is further supplemented by an outline of the legislative mandates of the various stakeholders charged with its implementation. It also provides a section on principles which will guide future implementation initiatives.

This Policy Framework is applicable to all entities in the national, provincial and local spheres of government.

### The importance of M&E

Government's major challenge is to become more effective. M&E processes can assist the public sector in evaluating its performance and identifying the factors which contribute to its service delivery outcomes. M&E is uniquely oriented towards providing its users with the ability to draw causal connections between the choice of policy priorities, the resourcing of those policy objectives, the programmes designed to implement them, the services actually delivered and their ultimate impact on communities. M&E helps to provide an evidence base for public resource allocation decisions and helps identify how challenges should be addressed and successes replicated.

Monitoring and evaluation is, however, extremely complex, multi-disciplinary and skill intensive. Government-wide monitoring and evaluation even more so, since it requires detailed knowledge both across and within sectors, and interactions between planning, budgeting and implementation. The picture is complicated even further when the machinery of government is decentralised, with powers and functions being distributed across three spheres of government. It is precisely this complicated intergovernmental structure with diffused powers and functions which requires strong M&E systems to promote coordination and prevent fragmentation.

### Definition of monitoring

Monitoring involves collecting, analysing, and reporting data on inputs, activities, outputs, outcomes and impacts as well as external factors, in a way that supports effective management. Monitoring aims to provide managers, decision makers and other stakeholders with regular feedback on progress in implementation and

### Definition of monitoring

results and early indicators of problems that need to be corrected. It usually reports on actual performance against what was planned or expected.

### Definition of Evaluation

Evaluation is a time-bound and periodic exercise that seeks to provide credible and useful information to answer specific questions to guide decision making by staff, managers and policy makers. Evaluations may assess relevance, efficiency, effectiveness, impact and sustainability. Impact evaluations examine whether underlying theories and assumptions were valid, what worked, what did not and why. Evaluation can also be used to extract cross-cutting lessons from operating unit experiences and determining the need for modifications to strategic results frameworks.

### Key M&E concepts

As noted before, M&E revolves around a number of key elements:

- **Inputs:** all the resources that contribute to the production of service delivery outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
- **Activities:** the processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
- **Outputs:** the final products, goods and services produced for delivery. Outputs may be defined as “what we produce or deliver”.
- **Outcomes:** the medium-term results for specific beneficiaries which are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution’s strategic goals and objectives set out in its plans. Outcomes are “what we wish to achieve”. Outcomes are often further categorized into immediate/direct outcomes and intermediate outcomes.
- **Impacts:** the results of achieving specific outcomes, such as reducing poverty and creating jobs. Impacts are “how we have actually influenced communities and target groups”.

## 1.2 Principles of M&E

<b>1. M&amp;E should contribute to improved governance</b>	
<ul style="list-style-type: none"> <li>• Transparency</li> <li>• Accountability</li> <li>• Participation</li> <li>• Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• All findings are publicly available unless there are compelling reasons otherwise.</li> <li>• Use of resources is open to public scrutiny.</li> <li>• Voice is provided to historically marginalized people.</li> <li>• Traditionally excluded interests are represented through out M&amp;E processes.</li> </ul>
<b>2. M&amp;E should be rights based</b>	
<ul style="list-style-type: none"> <li>• Bill of Rights</li> </ul>	<ul style="list-style-type: none"> <li>• A rights based culture is promoted and entrenched by its inclusion in the value base for all M&amp;E processes.</li> </ul>
<b>3. M&amp;E should be development-oriented – nationally, institutionally and locally</b>	
<ul style="list-style-type: none"> <li>• Pro-poor orientation</li> <li>• Service delivery and performance</li> <li>• Learning</li> <li>• Human resource management</li> <li>• Impact awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Poverty's causes, effects and dynamics are highlighted and the interests of poor people are prioritized above those of more advantaged groups.</li> <li>• Variables reflecting institutional performance and service delivery are analysed and reviewed, links are identified and responsive strategies are formulated.</li> <li>• Knowledge and an appetite for learning are nurtured in institutions and individuals.</li> <li>• The skills required for deliberative M&amp;E are available, fostered and retained while the knowledge needed for strategic HR utilization is available and used.</li> <li>• The possible impacts of M&amp;E interventions are considered and reflected upon in plans and their actual outcomes are tracked and analyzed systematically and consistently.</li> </ul>
<b>4. M&amp;E should be undertaken ethically and with integrity</b>	
<ul style="list-style-type: none"> <li>• Confidentiality</li> <li>• Respect</li> <li>• Representation of competence</li> <li>• Fair reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Processes ensure the responsible use of personal and sensitive information.</li> <li>• Promises of anonymity and non-identifiability are honoured and relied upon.</li> <li>• Dignity and self esteem is built amongst stakeholders and affected people.</li> <li>• There is skillful and sensitive implementation of M&amp;E processes.</li> <li>• Those engaged in monitoring and evaluation fairly represent their competence and the limitations of their reports.</li> <li>• Reporting provides a fair and balanced account of the findings.</li> </ul>
<b>5. M&amp;E should be utilisation oriented</b>	
<ul style="list-style-type: none"> <li>• Defining and meeting expectations</li> <li>• Supporting utilisation</li> </ul>	<ul style="list-style-type: none"> <li>• M&amp;E products meet knowledge and strategic needs.</li> <li>• A record of recommendations is maintained and their implementation followed up.</li> <li>• An accessible central repository of evaluation reports and indicators is maintained.</li> </ul>
<b>6. M&amp;E should be methodologically sound</b>	
<ul style="list-style-type: none"> <li>• Consistent indicators</li> <li>• Data/evidence based</li> <li>• Appropriateness</li> <li>• Triangulated</li> </ul>	<ul style="list-style-type: none"> <li>• Common indicators and data collection methods are used where possible to improve data quality and allow trend analysis.</li> <li>• Findings are clearly based on systematic evidence and analysis.</li> <li>• Methodology matches the questions being asked.</li> <li>• Multiple sources are used to build more credible findings.</li> </ul>
<b>7. M&amp;E should be operationally effective</b>	
<ul style="list-style-type: none"> <li>• Planned</li> <li>• Scope</li> <li>• Managed</li> <li>• Cost effective</li> <li>• Systematic</li> </ul>	<ul style="list-style-type: none"> <li>• As an integrated component of public management, M&amp;E is routine and regularized.</li> <li>• The scale of M&amp;E reflects its purpose, level of risk and available resources.</li> <li>• Conscientious management of the function leads to sustained on-time delivery of excellence.</li> <li>• The benefits of M&amp;E are clear and its scale is appropriate given resource availability.</li> <li>• Robust systems are built up that are resilient and do not depend on individuals or chance.</li> </ul>

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### 1.3 What is a Monitoring and Evaluation system?

#### Definition of a M&E system

A monitoring and evaluation system is a set of organisational structures, management processes, standards, strategies, plans, indicators, information systems, reporting lines and accountability relationships which enables national and provincial departments, municipalities and other institutions to discharge their M&E functions effectively. In addition to these formal managerial elements are the organisational culture, capacity and other enabling conditions which will determine whether the feedback from the M&E function influence the organisation's decision-making, learning and service delivery.

#### What the GWM&E system is not

This *GWM&E Policy Framework* will not result in a single atomated IT system for the South African Government, but shape the policy context within which electronic IT-based systems will operate. The *GWM&E Framework* seeks to embed a management system within public sector organisations which articulates with other internal management systems (such as planning, budgeting and reporting systems). This may or may not be supported by IT software and other tools. If this is the case, the emphasis is on systems integration and inter-operability.

#### Relationship between institutional M&E systems and the GWM&E system

It is a statutory requirement that the accounting officer of a department or municipality, or the chief executive officer of a public entity, is required to establish a monitoring and evaluation system for the institution. Primary users of the M&E system will use these source systems to refine their planning and implementation processes. The data and information from these source systems will also be used by other stakeholders in the GWM&E system to create an overall picture of national, provincial and local performance. These secondary users may use derived IT systems to collate and analyse the data from the underlying organisational source systems.

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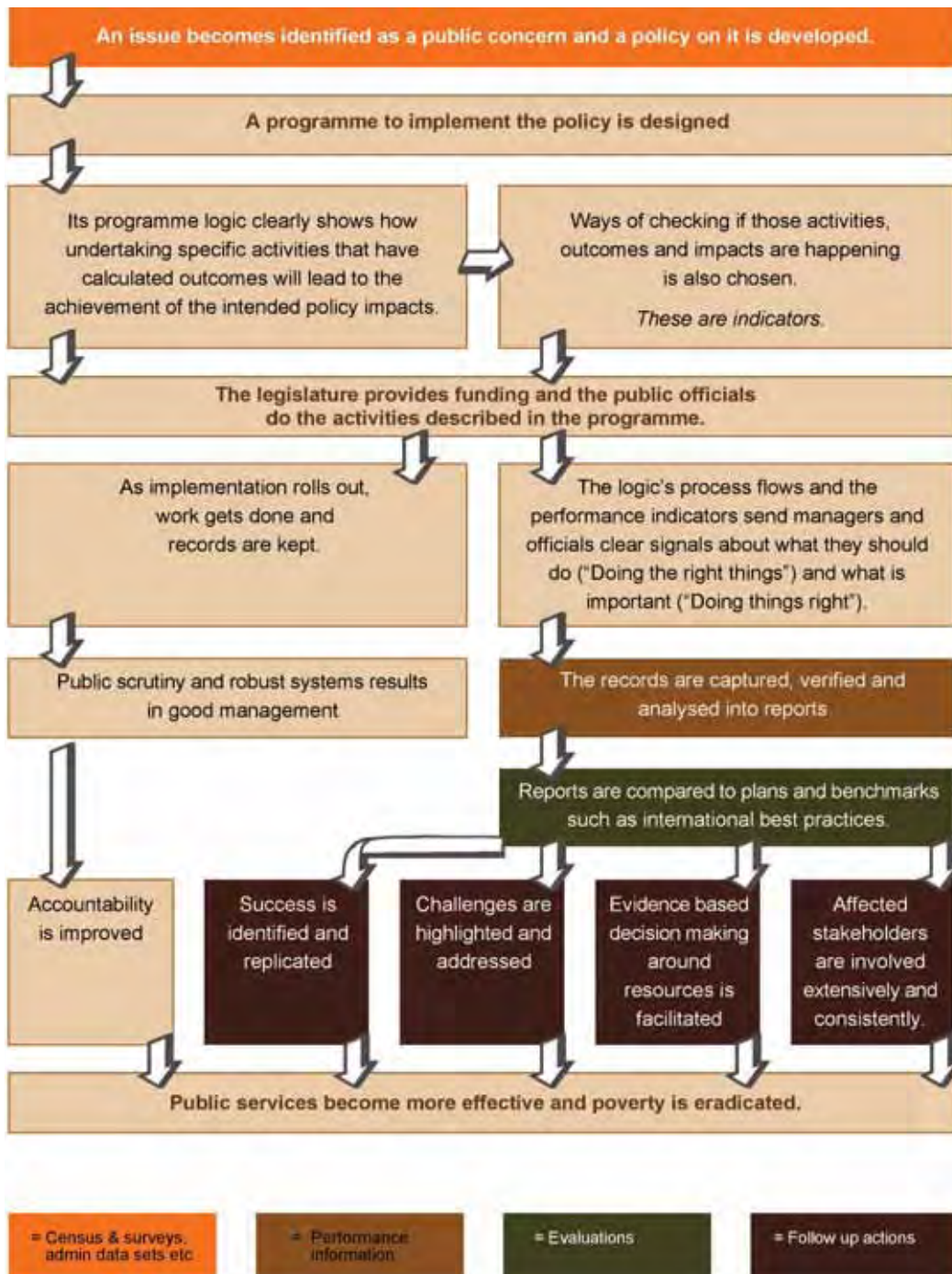
# PART TWO: THE GOVERNMENT-WIDE MONITORING AND EVALUATION SYSTEM

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## 2.1 System overview

Aim of the GWM&E System	The overarching Government-wide Monitoring and Evaluation system aims to: provide an integrated, encompassing framework of M&E principles, practices and standards to be used throughout Government, and function as an apex-level information system which draws from the component systems in the framework to deliver useful M&E products for its users.
Overview	The first democratic government's term of office was concerned primarily with the fundamental restructuring of the apartheid state into a modern public service. The second term was concerned with coordination and integration of government systems and services. The third term has a number of strategic priorities but key amongst these has been the challenge of increasing effectiveness, so that a greater developmental impact is achieved. One of the ways Government is increasing effectiveness is by concentrating on monitoring and evaluation. This is because it is a pivotal competence that has positive effects both up and downstream: it improves policies, strategies and plans as well as improving performance and optimizing impact. Improving M&E leads to improvements in the quality of planning (driven by comparisons between what was planned and what was done) and implementation systems (so that they are better able to record what services are delivered and what results they achieve).
System description	The GWM&E system is intended to facilitate a clear sequence of events based on critical reflection and managerial action in response to analysis of the relationships between the deployment of inputs, the generation of service delivery outputs, their associated outcomes and impacts. These flow diagram below shows how the GWM&E system M&E should contribute to achieving its intended outcomes. It illustrated the relationship between various governance processes and the relevant data terrains.

## Flowchart: How the GWM&E's intended outcomes should be achieved



## Systems goals

The GWM&E system produces the following outputs:

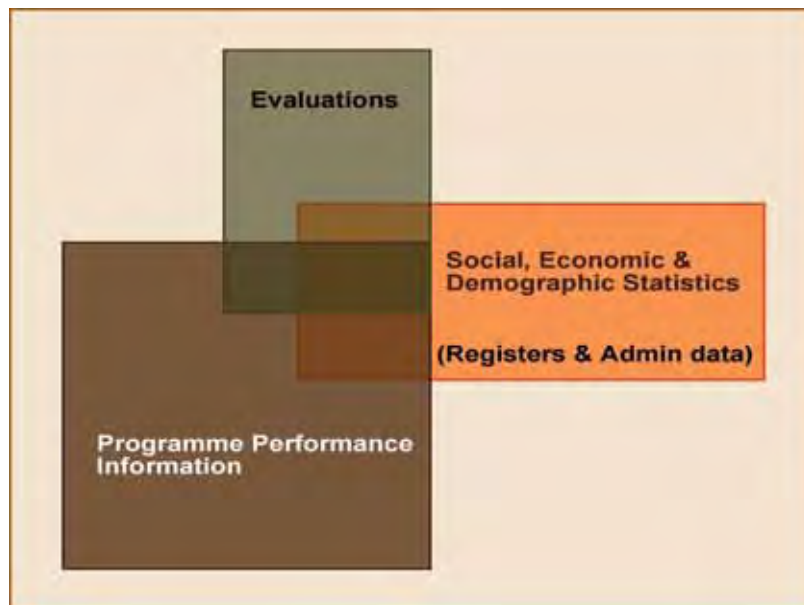
- Improved quality of performance information and analysis at programme level within departments and municipalities (inputs, outputs and outcomes).
- Improved monitoring and evaluation of outcomes and impact across the whole of government through, eg Government Programme of Action bi-monthly Report, Annual Country Progress Report based on the national Indicator etc
- Sectoral and thematic evaluation reports
- Improved monitoring and evaluation of provincial outcomes and impact in relation to Provincial Growth and Development Plans
- Projects to improve M&E performance in selected institutions across government
- Capacity building initiatives to build capacity for M&E and foster a culture of governance and decision-making which responds to M&E findings

## 2.2 Data terrains

### The three data terrains underpinning the GWM&E system

Government draws from three data terrains for M&E purposes, each of which is the subject of a dedicated policy describing what is required for them to be fully functional.

The three terrains and their policies are depicted in the following diagram:



The National Treasury has issued a *Framework for Programme Performance Information* in May 2007, and Stats SA is in the process of finalizing the *South African Statistics Quality Framework (SASQAF)*

The three data terrains underpinning the GWM&E system

The assignment of roles accompanying this *Policy Framework* will detail stakeholder responsibilities in dissemination, implementation and M&E of detailed policies in each data terrain. Standards for each type of M&E system are to be proposed in their respective policy documents and considered by the GWM&E Working Group before being formally adopted. The main features of each of the data terrains are summarized below.

Programme performance information

The focus of this component is on information that is collected by government institutions in the course of fulfilling their mandates and implementing the policies of government. These would include output and outcome information collected at provincial level for strategic and annual performance plans and budgets, and at local level for Integrated Development Plans and Service Delivery and Budget Implementation plan.

*The aims of the Programme Performance Information Framework are to:*

- Clarify standards for performance information and supporting regular audits of non-financial information where appropriate
- Improve the structures, systems and processes required to manage performance information
- Define roles and responsibilities for performance information
- Promote accountability to Parliament, provincial legislatures and municipal councils and the public through timely, accessible and accurate publication of performance information.

The lead institution responsible for performance information is the National Treasury. Roleplayers in this area include every government institution which is required to put in place appropriate primary information structures, systems and processes to manage their performance information.

The Presidency, National Treasury, DPSA, DPLG and various other departments have or are developing derivative information systems that draw information from these primary systems for monitoring and evaluation purposes.

Social, economic and demographic statistics

The focus of this component is on information that is collected by Statistics South Africa through the census and other surveys, as well as on statistics collected by other government institutions.

Within the National Statistics System (NSS), SASQAF distinguishes between “national statistics” and “official statistics”. National statistics are those in the public domain, but which the Statistician General has not certified as “official” in terms of section 14.7(s) of the Statistics Act. These include surveys, registers and administrative data sets emanating from the three spheres of government and other organs of state. The private sector, research institutions and NGOs also generate statistics