CAPACITY ASSESSMENT FOR RESEARCH, EVALUATION, STATISTICS, AND OTHER ANALYSIS

The U.S. Trade and Development Agency (USTDA) has a long-established culture that uses evidence in day-to-day decision making and throughout program development and delivery. This is accomplished formally as the use of evidence is integrated into existing processes as well as on an *ad hoc* and informal basis. Formally, program evaluation data and evidence is used in business development, documented for each new funding consideration, annually during agency-wide strategic planning efforts, and during the development/refinement of internal programs and policies. Program evaluation data and evidence is also used on an *ad hoc* basis for individual projects and development of specific initiatives. In addition, evidence and learning are reflected informally during regular meetings where staff gather to share and discuss how to increase the use of evidence in Agency documents, briefs, and public facing materials.

USTDA has processes in place to plan and implement program evaluation activities, disseminate best practices and findings, and incorporate USTDA staff views and feedback. USTDA's Office of Program Monitoring and Evaluation (M&E Office) regularly carries out capacity-building activities with program staff in order to use evaluation research and analysis approaches and data in day-to-day operations. However, USTDA and the M&E Office continually seek to identify opportunities to improve capacity to generate evidence about effectiveness and implementation, identify areas for improvement of programs, policies, or organizations, and inform mission-critical decisions and policies.

Coverage: As described in the evidence plan, approximately 350-400 evaluations are conducted each year. These evaluations – project implementation assessments (PIAs), initial impact assessments (IIAs), and outside evaluation team (OET) reports – are conducted by M&E Office and program staff within the Agency as well as third-party OETs. Research and analysis activities, including monitoring and evaluation of ongoing activities and compliance assessments, are also taking place throughout the year, and help inform specific program or activity development, design, and decision-making, as well as support strategic planning, organizational learning, program management, interagency coordination, oversight, and accountability. These evaluation, research, and analysis activities directly support the needs of program teams, USTDA's leadership, and the M&E Office. As noted above, evaluations, research, and analyses are primarily focused on program activities; USTDA's operations (e.g., administrative and support tasks) are not currently evaluated except in the context of performance reporting and looking at effectiveness of USTDA's tools such as pilot projects or ensuring that tracking and reporting activities are occurring as planned.

Evaluation, research, and analysis activities are planned and implemented by the M&E Office, program teams, and OETs. Dissemination of findings and best practices incorporating staff feedback occurs regularly and is completed by the M&E Office, OETs, and program staff. The OET's final reports of aggregated findings and recommendations are routinely reviewed with

program staff and have resulted in changes to strategy and operations. Qualitative and quantitative data and findings from evaluations are systematically documented in an internal database that is available to all USTDA staff. OETs also have controlled, limited access to the database to document their findings. This database infrastructure is generally sufficient, and the M&E Office continuously considers improvements that can be made to enhance its use in Agency learning. However, the database infrastructure has been identified as an area for improvement in the future. It is built upon legacy systems and platforms that are older and require upgrading. The Agency is currently undertaking an effort to modernize this system while retaining important historical data and functionalities critical for accurate performance reporting. In addition, with increasing (and often unfunded) reporting requirements from the interagency, USTDA may need additional staffing and resources in order to continue to perform its data verification and validation processes and may need to augment and upgrade its database system.

USTDA and contractor staff conducting or overseeing program evaluations demonstrate experience planning and implementing program evaluations. USTDA and contractor staff conducting or overseeing research and analysis activities demonstrate experience planning and conducting relevant research and analysis. Additionally, USTDA and contractor staff have experience overseeing or conducting monitoring, evaluation, research, and analysis of commercial and developmental outcomes for large-scale, complex infrastructure projects in developing markets. M&E Office staff are encouraged to participate in trainings, briefings, and program evaluation industry associations to keep abreast of current industry guidance and requirements.

In the future, the M&E Office may consider more comprehensive or aggregated evaluations from its OETs, or may conduct meta-evaluations, to identify additional areas of improvement. In addition, as USTDA's M&E Office is responsible for a number of workstreams not typical of an M&E unit, including compliance assessments, the M&E Office may review its strategic focus in the coming years to better assist the Agency in its learning.

Quality: USTDA's data collection efforts are designed to ensure the highest level of quality and consistency. Reliable data is critical to USTDA's ability to measure performance results to inform meaningful and effective programmatic decisions.

Each evaluation effort requires extensive outreach and surveying of project stakeholders, in order to verify and corroborate both old and new information through additional sources. As new information is gathered, USTDA's data is revised to reflect the status of project developments. USTDA gathers its data through stakeholder interviews and surveys, phone communications, emails, in-person interviews, publicly available information, U.S. government documentation or a combination of these sources. The M&E Office uses consistent methods that are most likely to result in obtaining information about the impact of a USTDA-funded activity. At each stage of the data gathering process, information is collected to determine whether, and how, U.S. companies benefited from the USTDA activity, detailing the U.S. exports and U.S. content of the exports, including:

- whether the goal of USTDA's funding was achieved and if not, why;
- how the project was financed or, if it was not financed, why;
- a complete documentation of what resulted from the USTDA activity, if anything, and why those results did or did not occur; and
- a list of individuals who are knowledgeable about the project's status.

The data collected is examined and validated through triangulation to the extent possible over multiple years and adjusted to reflect the most accurate information that can be obtained about outcomes. USTDA has the utmost confidence in the utility, objectivity, and integrity of its data and evaluation processes, which form the foundation of the continual strengthening of the Agency's programs.

Methods: Most evaluations apply mixed-method approaches and evaluations report on actual results, rather than projections and forecasts. The level of rigor is suitable for the types of evaluations being conducted, as per Office of Management and Budget (OMB) guidance (OMB M-21-27), and considering the feasibility, cost, and timeline of evaluations.

Effectiveness: Results of evaluation, research, and analysis activities are regularly disseminated and serve the needs of stakeholders. Program teams and USTDA leadership regularly access and reference these activities for day-to-day decision-making, strategic planning, budget formulation, and policy development. Throughout a given fiscal year, program teams research specific project funding opportunities that fall within the priorities determined during the Agency's annual strategic planning process. Each specific activity funding request assesses and estimates potential outcomes and is shaped by the existing body of program evaluation evidence. The proposed funding request also anticipates potential risks and threats to the activity or project implementation or evaluation strategy and develops mitigation strategies that may also be informed by lessons learned and evidence gathered from similar past activities.

Independence: The majority of evaluations are overseen by USTDA's M&E Office, which is a separate office within the Agency. Being a small Agency, the M&E Office does interact with political appointees; however, the M&E Office Director and Evaluation Officer, a career official, reports to the Director for Policy and Program Management, a career official.

In addition, USTDA has maintained an external, third-party evaluation process since the Agency's inception. Currently, two outside evaluations contractors collect data required for quantitative analysis that is used to report on performance measures. By having two companies perform these services, USTDA can maintain a system that allows each company to independently – and separately – validate the Agency's evaluation methodology and data, and to provide recommendations on how the process can be strengthened. Thus, the OETs also offer a level of independence and external, third-party validation of the Agency's results, ensuring USTDA does not solely evaluate its own activities. These evaluation, research, and analysis activities benefit from greater independence and reduced risk of bias or inappropriate influence.