The path: scaling up
The goal: broad impact

Corporate strategy evaluation on
scaling up and broad impact
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As a federal enterprise, GIZ supports the German Government in achieving its objectives in the field of international cooperation for sustainable development.

Rambøll Management Consulting GmbH was commissioned to carry out the corporate strategy evaluation Scaling up and broad impact

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The evaluated project activities were implemented by the former GTZ, InWEnt and DED. They are termed ‘GIZ activities’ in the report.
1. Further development through evaluation

Background and design of the corporate strategy evaluation

How can findings from evaluations be used to support corporate policy at GIZ in order to further boost the effectiveness of the services it provides for clients, commissioning parties and partners? GIZ’s answer to this question is the corporate strategy evaluation. Corporate strategy evaluations examine, for example, how GIZ is equipped to tackle issues of key corporate-policy significance, and provide facts that can be used to formulate recommendations for the company’s further development. Beyond this, the Monitoring and Evaluation Unit also arranges for cross-section evaluations of individual evaluations to be performed, which analyse how effective the projects implemented by GIZ were in selected sectors. Which factors influenced success or failure? What can we learn from them for future projects?

Theme: Broad impact and scaling up

Achieving greater effectiveness and furnishing the relevant proof has long been a focus of international cooperation. Scaling-up strategies and the ‘broad impact’ they are intended to achieve are currently much discussed and in great demand. How can successful approaches be taken over by politicians or other organisations beyond the individual project, or transferred to a different context, i.e. sector? Apart from the World Bank and the Australian and Japanese development agencies, GIZ is also helping to drive this topic. The first corporate strategy evaluation was therefore devoted to the question of how, and how successfully, scaling up is achieved in the projects implemented on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) by GIZ together with its partners.

Identifying success factors

The evaluation also examined which factors have a positive influence on scaling up and broad impact. The findings and the recommendations based on them serve as a foundation for honing GIZ’s corporate strategy. This in turn will enhance scaling up and broad impact in development measures.

Contribution analysis: evaluating aspects that are hard to measure

Scaling-up processes are complex interventions that have a structure-building and system-building character. They are influenced by a number of external factors and consist of different activities and processes that frequently involve not only different governmental and administrative levels, but also actors from civil society and the private sector. In this context, clearly defined quantitative results can only be measured to a limited extent. The Monitoring and Evaluation Unit therefore decided to use contribution analysis rather than a rigorous evaluation approach with control or comparison groups. This theory-based approach, which incorporates plausibility checks and the testing of hypotheses, enables statements to be made on the cause and effect relationships between scaling up and broad impact.

Portfolio screening and case studies

The corporate strategy evaluation was written by independent, external experts. It consisted of an analysis of a random sample of GIZ’s current portfolio (portfolio screening) and seven in-depth country case studies. All case studies were taken from the water sector in order to obtain comparable findings. During portfolio screening, documents from 310 ongoing projects and evaluation reports from 161 largely completed projects were assessed. An online survey was also conducted among 267 officers responsible for ongoing programmes (response rate 53%).
One of the first conclusions drawn from the findings of the corporate strategy evaluation was that standard definitions of scaling up and broad impact – which had previously been viewed from different perspectives at GIZ – needed to be agreed.

Three directions for scaling up
As jointly agreed by the evaluators and a company-wide working group, scaling up describes the design of a process within the project or after its completion in order to achieve broad(er) impact. The aim is to disseminate successful concepts, approaches and methods beyond the individual project:
• to a new level (vertically, upwards and/or downwards)
• to a new unit at the same level (horizontally), and/or
• to a new context, in another sector (functionally).

For example, this may entail providing advice at government level in order to achieve changes in legislation and to ensure that an innovation that was successfully tested below the national level (vertically) is then institutionalised. Another option is to convince partner organisations to transfer the successful approaches of the project horizontally from one province to other provinces. Another example are train-the-trainer courses at the local level, which ensure that new ideas and approaches are disseminated, also in other sectors.

Four criteria for broad impact
Broad-impact project approaches share the following four characteristics:
Relevance: The changes are relevant for the final beneficiaries and geared to their needs. That means the results of the measure help to solve one of the core problems of the target group(s), e.g. by providing access to clean drinking water.
Quality: The results make a substantial contribution towards solving this core problem.
Quantity: The result has the greatest possible geographic reach and concerns a significantly large target group.
Sustainability: The observed results continue beyond the end of the project term. The partner side also has the financial and human resources required to guarantee sustainability.

This standard GIZ definition of scaling up and of the broad impact it can achieve not only serves as a working basis for comparative evaluation of the projects. It is also the basis for systematically integrating scaling up and broad impact into all future projects right from the start, from offer preparation to implementation and project evaluations to reporting.
Although scaling up and broad impact were not yet standard elements of project design at the time of the evaluation, the results of the portfolio screening were nevertheless good: at least one of the three forms of vertical, horizontal or functional scaling up is provided for in almost all GIZ projects (92%). Two thirds of projects (67%) implement at least one of these scaling-up processes. The in-depth evaluation of the seven case studies confirms this finding. Vertical scaling-up processes had been provided for and implemented in all the studies; horizontal scaling had been provided for and implemented in almost all cases. So far, approaches have only been transferred to a new context sporadically (functional scaling up).

Good result: Scaling up is successful in two thirds of the projects implemented by GIZ. Over half achieve broad impact in at least three categories, according to the online survey.

A proven fact: scaling up strategies generate broader impact

The evaluation shows that successful scaling up led to sustainability and quantitative broad impact at the projects, i.e. it brought about a durable improvement for the largest possible target group. This is particularly due to the fact that the successful implementation of scaling up strategies always entails institutionalising concepts and approaches, and strengthening the capacities and skills of the participating organisations for this purpose.

Almost all of the surveyed project officers (94%) aim to achieve broad impact through their projects. 92% of the random sample and all projects in the case studies met the criterion of ‘relevance’ in relation to broad impact: The changes that occurred for the target group were very needs-oriented. A little over half of the projects (58%) achieved broad impact in at least three of the four categories relevance, quality, quantity and sustainability. Two of the seven case studies even achieved broad impact in all four criteria.

The challenge: monitoring

However, the evaluation also showed that the projects often lack monitoring systems that would have been able to examine all of the four criteria required for broad impact. Only in some cases was it possible to fall back on national information and monitoring systems in order to substantiate changes for the target group. The ongoing challenge for the projects is to make greater use of these systems and to help improve them at the same time.
4. Particularly effective at achieving broad impact: The multilevel approach

Achieving broad impact presents all stakeholders with the challenge of identifying and making active use of the given scope for action and possible driving forces for scaling up. They must help shape this scope and these forces, and consciously steer them. How did the GIZ projects examined in the random sample analysis and the in-depth case studies handle these challenges? Which factors were especially successful in this context?

Framework conditions: national sector strategy
Achieving broad impact through scaling up crucially depends on the political frameworks in the partner countries. The national sector strategies of the partner countries have proved to be important especially for the vertical transfer of concepts and approaches at different decision-making levels. They open up (or restrict) scope for action and are pro-actively shaped by the projects. GIZ has frequently assisted the partner, for example in Kenya’s water sector, in launching such a national strategy in the first place.

Special feature of GIZ: the multilevel approach
The evaluation highlighted GIZ’s multilevel approach as the outstanding success factor, which is a special feature and ‘unique selling point’ in the international scaling-up debate. Conversely, the evaluation also established that scaling-up processes are impeded if different administrative levels are not involved.

This approach of involving and using partner systems at national, regional and local level in order to systematically transfer lessons learned to other levels impacts specifically on vertical scaling-up processes. This is the case, for example, if approaches and concepts in a pilot project are proved to be feasible and effective due to their exemplary implementation, and the findings and experiences are then exchanged between the levels and fed into advisory services at the legislative level.

BENIN: Knowledge transfer between all levels
The Integrated Management of Water Resources and Water Supply Programme in Benin made sure to closely interlink the various measures across all levels. In the course of the programme, it became clear that access to clean drinking water had significantly improved due to the infrastructure-building measures, but that the water was frequently polluted on its way from the source to the households. In dialogue with the ministerial level, the programme succeeded in enshrining a strategy to ensure better drinking water quality. To implement this strategy, the local administrative level was equipped with the necessary infrastructure and trained to control the quality of the drinking water. In pilot projects at the municipal level, people were trained in how to make hygienic and sparing use of drinking water. The experience gained in this context was systematically processed so that successful practices could be passed on to other municipalities.
Close links with partners/ownership

The partner organisations depend on other actors in order to handle transfer processes and boost leverage. It is therefore important to promote partner ownership and to support partners in their leadership role when it comes to disseminating concepts. Developing a strategy together with partners, e.g. on how to transfer concepts to downstream administrative levels, strengthens these processes. Again, the example from Benin shows the positive effect this has on the scaling-up processes.

Benin: Ownership strengthened

In order to involve other partners, the Integrated Management of Water Resources and Water Supply Programme in Benin has set up a working group involving members of the water authority and GIZ. This group draws up guidelines for managing the municipal water and sanitation infrastructure, as well as detailed plans on how the central level passes these guidelines on to the local water supply services. This strategy also established how, in the next step, the water supply facilities can act as multipliers to familiarise the municipalities with the guidelines. The result: all of Benin’s municipalities are now familiar with the guidelines. The responsible sector ministry has used these jointly developed guidelines as the basis for producing its own standards. Anchoring these concepts and partner ownership creates a high level of willingness among other donors to work with these concepts.

Search for new cooperation partners/acquisition of cofinancing

New partners promote scaling-up processes by advertising the programme or by providing knowledge, experience and further funding. Cofinanciers are pleased when their financial contribution achieves clearly defined results through the transfer of specific experience, e.g. in a neighbouring province. In all the examined projects, cofinancing plays a key role. The additional funding made it possible to expand the innovation and increase dissemination to a much greater extent. These investments promoted horizontal and in some cases also functional dissemination processes in particular.

Southern African Development Community (SADC): Model for other donors

SADC’s Transboundary Water Management Programme has systematically looked for potential new cooperation partners. To acquire these partners, the programme made conscious use of GIZ’s long-standing experience in the water sector and of its long presence in the region. The large regional network of GIZ projects and the strong relationship of trust in their cooperation with SADC and with the governments of the SADC member countries were key criteria for other donors who do not have such capacities themselves. Thus, the programme was able to acquire an additional EUR 33 million from the Australian Agency for International Development (AusAid) and from the Department for International Development (DFID). Using these funds, the programme entered into a public-private partnership with Sasol in South Africa for water resource management at the municipal level. The chemical company is one of the largest consumers of water in South Africa and depends on a continuous and sustainable water supply. The project is part of a planned horizontal dissemination strategy according to which local experience is processed and transformed into a model that can be replicated in other countries.
Piloting concepts/processing PPP experience

Pilot projects, such as those conducted under public-private partnerships (PPPs), provide a basis for learning lessons and making observations, and for proving the feasibility of the concepts in question. They offer the opportunity to transfer lessons learned inside and outside the project and to incorporate these into policy decisions. If the costs, benefits and challenges of a PPP measure are carefully documented and analysed, this encourages the adoption of the project's approach. The systematic processing of experiences also supports private sector actors in disseminating their solutions.

PERU: Disseminating good practices

The Drinking Water and Sanitation Programme (PROAGUA) in Peru shows how the dissemination of good practice examples was the key mechanism for horizontal scaling up. Together with a water utility, the programme started by developing a pilot project that introduced a new billing system, dynamically updating land registries and selling modern water and sewage pipes, among other measures. With relatively low investment costs, this quickly made it possible to acquire 10,000 new paying customers. The pilot experience was systematically processed and made available to the members of the umbrella association of Peruvian water utilities. The association then took on the task of extending the model firstly to another 12 selected companies, and prompted the water utilities to exchange their best practice examples. The transfer process worked well: 100,000 new customers were registered. Encouraged by the success of the project and its rapid economic benefit, the umbrella association created a new programme at its own initiative. The aim is now to acquire another million paying customers. GIZ's Water and Wastewater Management Programme in Egypt is also currently acting on Peru's experience.
**Learning from results/ Monitoring and evaluation**

Horizontal scaling-up processes are enabled in particular by learning forums in which actors exchange their examples of best practice and experience on an equal footing. This can be done in formal training courses, by setting up peer-to-peer groups, or by using multipliers. However, an essential feature for the key factor ‘learning and innovation’ is for the projects to have an established monitoring and evaluation system. This makes it possible to record the changes and results a project has achieved as the key prerequisite for evidence-based substantiation of results and for identifying factors of success and failure. It is also a key prerequisite for learning, and for extending successful approaches. Projects that had planned and established M&E systems, as in Kenya, were clearly successful when it came to achieving scaling up and broad impact.

**KENYA: Monitoring leads to success**

An additional one and a half million people from the urban slums who now have access to clean and affordable drinking water, 200,000 people who have new sanitation facilities, more than 500 water resource user associations throughout the country. The success factors of key importance for the broad impact of the Water Sector Reform Programme in Kenya included planning, steering and monitoring systems. These systems enabled the programme to examine the extent to which the financed projects achieved their pledged results, and how the new transparent competitive bidding process under which Kenyan water utilities can apply for projects, was implemented.

The programme developed this funding mechanism for improving the drinking water supply for poor urban population groups together with the national Water Service Trust Fund. After a pilot phase, the experience and lessons learned were fed into a national Urban Project Concept. New experience and good practice examples are automatically included in this concept and passed on to all water utilities throughout the country.

Beyond this, the national monitoring system exerted pressure to act because it was accessible to the public. The data were also used to document successful scaling-up processes and to acquire further partners.

The GIZ programme set up an independent forum for peer-to-peer learning among the water utilities in order to achieve horizontal scaling up. They use this independent platform to seek joint solutions to current problems. This includes reciprocal learning visits to drive scaling up.
Success factor: International reputation

Finally, the evaluation stated GIZ’s long presence in the partner countries, its profound knowledge of regional, political and institutional frameworks, close proximity to partner organisations and decades of experience in the water sector as success factors for scaling-up processes. This reputation that is confirmed by international donors enables GIZ to assume an outstanding position vis-à-vis other implementing organisations and makes it highly competitive when it comes to acquiring cofinancing.

JORDAN: GIZ expertise crucial for EU cofinancing

Additional investment funds of EUR 3.6 million from the European Union (EU) made it possible to initiate several scaling-up processes simultaneously at the Management of Water Resources Programme in Jordan. Thus, the Water Wise Women Initiative, in which women act as multipliers to advocate sustainable use of water, was extended to three more regions. The Highland Water Forum dialogue platform, which analyses the reasons for the increasing scarcity of water in the highlands and drafts relevant solutions, has also been established in another region. GIZ’s long-standing expertise and experience in the Jordanian water sector played a key role in the EU’s decision to cofinance the programme. The EU was interested in working with GIZ because its vast experience in implementing new approaches with the partner guarantees that the disseminated concepts have been tested in practice. GIZ also enjoys a good reputation among its Jordanian partners with whom it has worked together in the field for many years in a spirit of trust. This also made it possible to bring Prince Haysan on board to inaugurate the Highland Water Forum, thus highlighting the great interest that exists in the evaluation findings. The EU could therefore rest assured that expanding the measures would be well accepted by the Jordanian side and that the initiatives devised by the Forum would be welcomed with open arms.
5. Making scaling up even more effective

Conclusions drawn from evaluation findings

What are the areas on which GIZ will now focus in order to further enhance scaling up and broad impact, both at the projects themselves and within the company?

The answer lies in the evaluation’s key finding: whether a project has broad impact and its approaches can be adopted at local, regional or national level crucially depends on how it is managed. If the responsible officers consciously involve this objective in all phases of the measure, from design and preparation to ongoing implementation to monitoring and evaluation, there is a much greater chance that the measure can be successfully scaled up and can achieve broad impact.

The most important conclusion drawn from the evaluation was therefore to gear programme steering quite specifically to scaling up and broad impact, and in so doing to improve the relevant conditions and organisational processes within the company.

Enshrining these two aspects right from the start

The potentials for scaling up and generating broader impact on this basis will be systematically integrated into the offer, the design and the preparation of new projects; they will be discussed and the required strategies will be factored in.

Checklist with success factors

To support scaling up and broad impact in ongoing projects, the success factors determined in the evaluation will be fed into GIZ’s current management model for sustainable development (Capacity WORKS) and incorporated into a checklist that offers guidance for implementation.

Scaling up during implementation

Once the partners have subscribed to the scaling-up concept following joint strategic planning, the project is steered, operationalised and monitored together with the partner. Knowledge management of the lessons learned in the form of handbooks and standards is crucial for dissemination in this context. Another important aspect when scaling up is network-building, as well as providing information to and communicating with key stakeholders and population groups.

Monitoring scaling up

Indicators suitable for monitoring scaling-up mechanisms will be integrated into the projects’ results-based monitoring systems wherever possible and feasible. ‘Scaling up for broad impact’ will also be enshrined in the new project evaluation guidelines as a sub-aspect of the DAC criterion ‘Impact’.

Broad impact will be recorded using the relevance, quality, quantity and sustainability indicators.

Safeguarding experience

Project knowledge and experience in achieving scaling up will be systematically processed and incorporated into new projects. GIZ’s Sectoral Department will assume a key role as a knowledge bearer in this context. New methodological guidelines on scaling up will facilitate planning, implementation and evaluation in practice, with support from Capacity WORKS.

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1 The five assessment criteria established by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) are: relevance, effectiveness, overarching development results (impact), efficiency and sustainability.