



OSCEval News is the evaluation newsletter of the Office of Internal Oversight.

Its aim is to provide insights in to the OSCE's work in evaluation, by sharing key evaluation findings and conclusions, as well as new developments regarding the OSCE's overall evaluation culture.

Evaluation is a management tool that contributes to decision-making, strategic planning, and organizational learning.



of OIO and emerging findings.

This edition of OSCEval News is dedicated to the **Evaluation of Results-based Management (RBM) in the OSCE, 2015-2020**

The evaluation was conducted by the Office of Internal Oversight with the support of an external consultant.

Introduction

At the programme level, the OSCE implements an RBM system called *Performance Based Programme Budgeting* (PBPB). Introduced in 2006, it primarily covers the organization's Unified Budget (UB) funded activities, and includes three main elements: planning for results, monitoring and reporting on results, as well as evaluation of results achieved. Its stated purpose is to strengthen the effectiveness, efficiency and accountability/transparency of the OSCE's executive structures (ES).

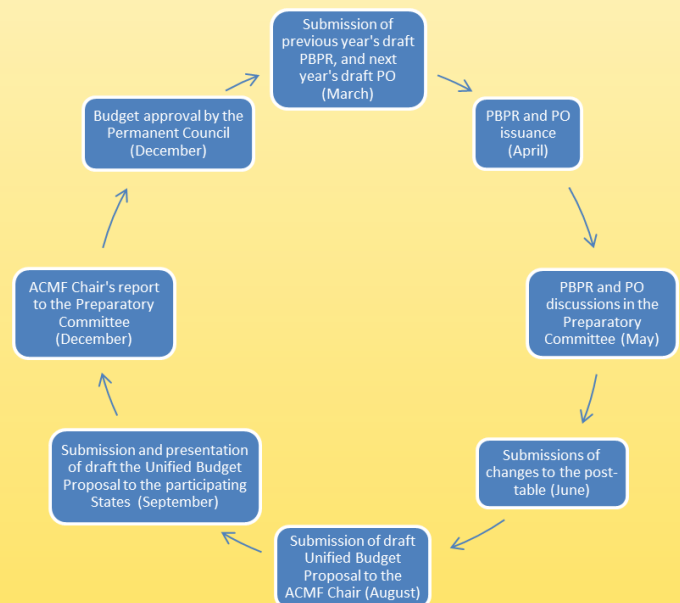
This evaluation assesses how well the OSCE has implemented RBM through its PBPB system over the period 2015-2020, and proposes a number of measures to make the system better serve the organization in the future. To that end, the evaluation benchmarked the implementation of RBM in the OSCE with implementation in the United Nations system. The analysis focused on four overall RBM management areas - *strategic, operational, accountability and learning, and change management*, each with a large set of sub-areas. It was based on data collected through desk research, interviews with OSCE officials across the organization, a large survey of OSCE staff, and insights from previous OIO evaluations.

Key Evaluation Findings and Conclusions

This evaluation established that the PBPB system, while *conceptually* aligned with international RBM principles, has been *implemented* unevenly in the OSCE. While implementation of some management areas was on par with those of the other organizations, others showed a lower maturity level. Some of the OSCE's least performing management (sub-)areas are the ones that matter most for results based management

Positive results were confirmed regarding several *strategic management* areas. For instance, there is a clear commitment in the OSCE to implement RBM, as demonstrated by the PBPB system having become an established practice across the organization, and initiatives to support the growth of an RBM culture in ES. Another finding related to this management area was that the OSCE has created an accountability system in terms of its annual PBPB process that provides participating States (pS) with information on activities, outputs, UB planning and expenditures, but not on outcomes. An overarching strategy for the continuous improvement of the implementation of RBM was, however, also lacking.

Picture. The 2021 PBPB Cycle



With regards to *operational management*, the lack of a corporate strategic results framework with multi-year organization-level funding priorities was noted, as well as the fact that to the extent that specific multi-year thematic priorities are formulated, this is done at the level of ES, and not in a consistent manner across the organization.

On the positive side, the organization-wide use of a results-framework for programmes and projects that foresees risk assessments of project proposals and the integration of cross-cutting issues such as human rights and gender equality, stands out. It was also noted that the framework has not reached a level where credible data on outcomes is collected and regularly used to inform decision-making. The use of Key Performance Indicators (KPI) was also found to be inconsistent across the organization, in that a proportion of ES has developed a KPI setting practice that is not aligned with the intentions of the PBPB system, which calls for KPIs to be set at the programme outcome level and with a multi-year perspective.

Related to the above is that the OSCE does not practice results-based budgeting, i.e. a process that allocates resources according to expected and actual performance. Rather, resource allocation at the organizational level is motivated by political priorities and the need to find consensus among pS. Repeated zero nominal growth budgets for UB in recent years have further aggravated the situation, since resource allocation decisions have not been based on results information, but have been influenced by other considerations.

The area where the OSCE's RBM system shows most weaknesses is *accountability and learning management*, which includes performance monitoring and evaluation (M&E) and results reporting. As indicated above, programme KPIs are not consistently applied, neither for monitoring, nor for results reporting, or internal decision-making and programme management. They are also not consistently used to keep pS informed on long-term results through the PBPR (Programme Budget Performance Report), which mostly focuses on activities and outputs rather than outcomes. At the project level, while subject to self-evaluations, decentralized evaluations of UB projects conducted by external experts are few and of mixed quality. Several ES have, however, commissioned external evaluations of a set of consecutive and interrelated projects to assess outcome level results achieved over several years. These so-called cluster evaluations informed further work in these specific thematic areas, and were generally found to be useful by the concerned ES.

In terms of *change management*, there are managers and other champions in the OSCE who promote RBM, including by making RBM a part of training programmes. Nevertheless, this evaluation established that a considerable proportion of OSCE staff has an insufficient understanding of what RBM and RBB entail in practice. Related to this and other factors

described above, the use of results-based information for decision-making and learning in the OSCE remains weak. It comes as no surprise then that many officials working in programmatic units question whether the effort invested in creating the PO, UB and PBPR constitutes an efficient use of their time.

Overall Conclusions and the Way Forward

This evaluation concluded that the PBPB system has primarily served an external purpose of *accountability and transparency* towards its pS, with a focus on managing activities and outputs. Longer-term outcomes have not been consistently measured, reported on or used for planning, decision-making and learning to ensure that resources are spent in the most value-adding way.

The evaluation acknowledges that the space for a stronger results orientation is constrained by factors outside of the control of the OSCE's senior management, including the organization's broad mandate, political sensitivities, decision-making by consensus, comparatively small UB resources combined with ZNG budgets, and the annual UB cycle. These factors limit the organization's ability to achieve tangible results, especially on an annual basis. Overall, this means that under these circumstances results frameworks for programmes and projects, results reporting, and external evaluation of UB projects are challenging to implement.

While the above strategic level factors are beyond the control of the ES and thus not covered by the recommendations of this evaluation, the pS may want to consider how they can be addressed. Meanwhile, this evaluation offers recommendations across three areas that aim to help the OSCE tackle operational barriers internally and to implement RBM more effectively:

- 1. Lack of clarity among staff regarding the meaning of RBM concepts and the functions of the PBPB system.** Update guidance material on RBM, harmonize RBM terminology across documents, build capacities, and develop guidance for units that provide core *service functions* for the organization.
- 2. Patchy multi-year planning, use of results-level indicators and results reporting.** Develop multiyear plans for ES and Secretariat departments that include programme outcome-level indicators and mechanisms to follow up on achievement of results. Continue to discuss with pS the move to biennial budget cycles to strengthen results-based reporting.
- 3. Absence of an organizational strategy to implement RBM across the OSCE.** Assign an organizational steering committee to develop an RBM strategy and implementation plan, and related M&E system in consultation with stakeholders.

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