

# **Better Social Policy: Design, Implementation, Evaluation and Country Cases**

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July 16, 2013

Event sponsored by Development Analytics & Turkey Ministry of Development

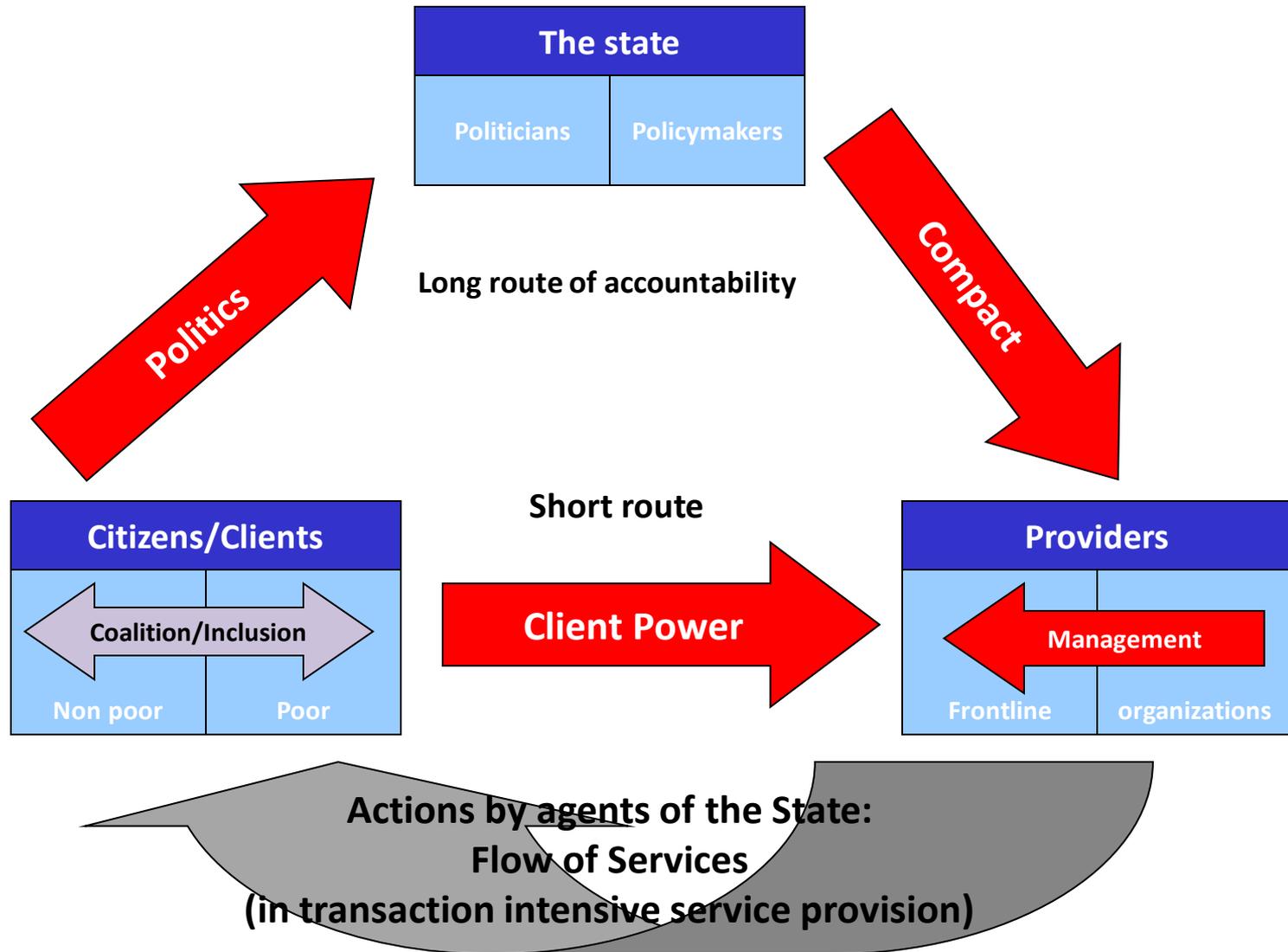
# Overview

- Basics of Accountability (World Development Report 2004)
- Typical tensions between Executive Agencies (e.g. Planning Ministries) and Line Agencies (e.g. Education, Health, Labor)
- A new approach to social policy: PDIA (Problem Driven Iterative Adaptation)
  - Problem
  - Authorize crawl of the design space
  - MeE as learning modality
  - Diffusion to scale

# What is “accountability”?

- Relationship between two entities (person to person, organization to organization, many people as collective to organization leadership, organization to person).
- Usually on-going relationship that creates set of expectations and consequences for both parties
- Economists refer to these as “Principal-Agent” relationships

# The Overall Accountability Triangle: Four Relationships of Accountability



# Five Elements of a Relationship of Accountability (four design, performance is chosen by agents)

- 1. Delegation:** A specification of what is wanted
- 2. Finance:** A flow of resources from principal to agent
- 3. Performance:** The agent chooses their performance based on their capacity and motivation
- 4. Information:** The performance by the agent creates some flow of information back to the principal
- 5. Enforceability:** Based on the information the principal takes actions that affect the agent

# What is 'Accountability'? – Demystifying the Elements of the Accountability Relations

There are Five Features to Any Accountability Relationship

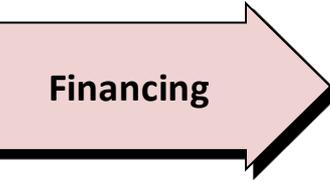
| Feature | What | Example 1:<br>Buying a Sandwich | Example 2:<br>Going to a Doctor |
|---------|------|---------------------------------|---------------------------------|
|---------|------|---------------------------------|---------------------------------|



You give a task to the accountable 'agent'

- You ask for a sandwich

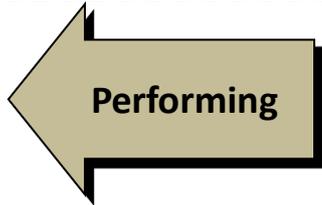
- You go to the doctor to be treated



You give the 'agent' the money to do the task

- You pay for the sandwich

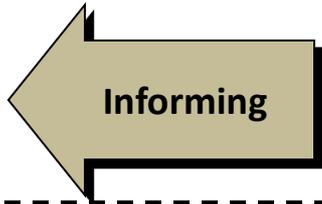
- You pay the doctor for the treatment



The 'agent' does the assigned task

- The sandwich is made for you

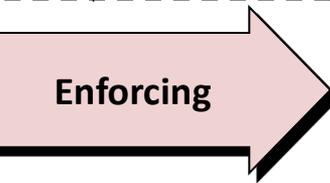
- The doctor treats you to try cure your ailment



You find out how well the 'agent' has done the work

- You eat the sandwich which informs you of its quality

- You see if you are feeling better – you assess the performance of the doctor



You reward good performance and punish bad performance

- You choose whether to buy a sandwich from the seller the next time, affecting his profits

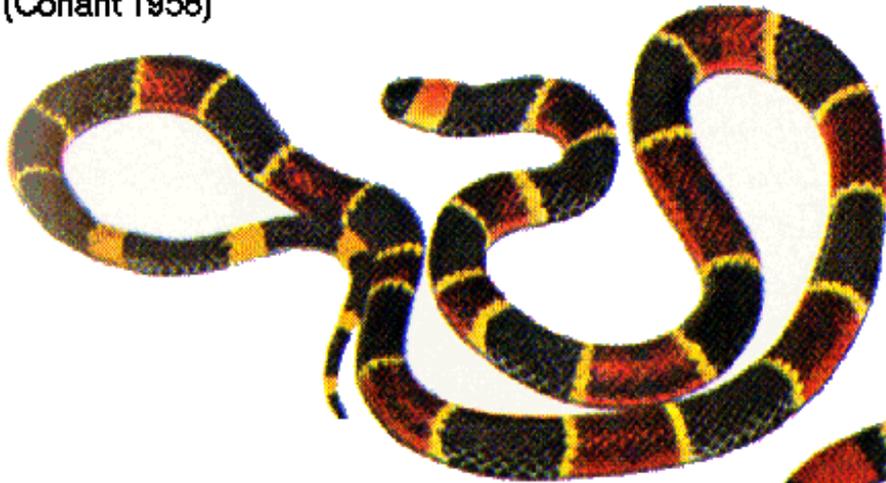
- You go to him next time (if he was good) or choose to go somewhere else if not

# Typical Tensions in “Compact” Relationship of Accountability

| Element of the “compact” relationship | Typical weaknesses   |
|---------------------------------------|--|
| Finance                               | Finance flows in a formulaic way (increments off past budgets) to recurrent (wage bill) and “projects”   |
| Delegation                            | Delegation is typically against vague and overambitious outcome targets (e.g. “improve health of nation’s citizens) plus detailed input plans for items of expenditure |
| Information                           | Reporting is on (a) disbursements, (b) input accomplishments and (c) some outputs and outcomes but not causally distinguished to actions taken                         |
| Enforceability                        | Line ministries typically have independent power bases making it very difficult to use “sticks”  |

# Isomorphic Mimicry in Snakes

(Conant 1958)



**Eastern Coral Snake**  
(venomous)

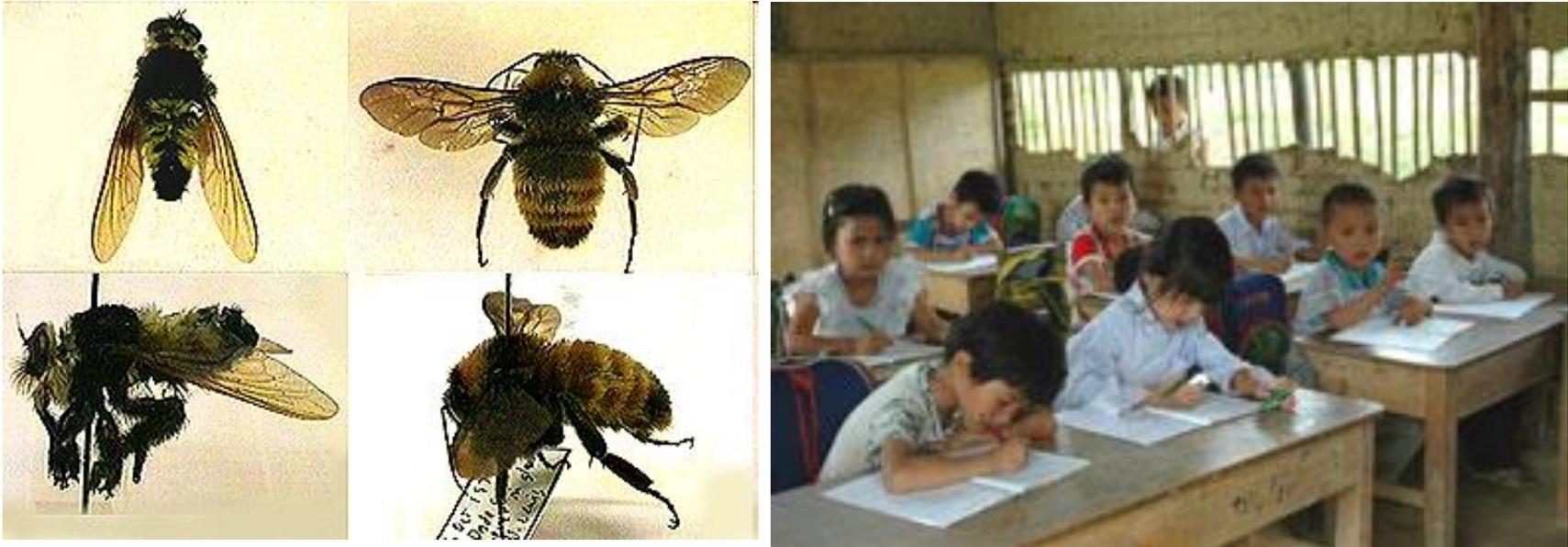


**Scarlet King Snake**  
(non-venomous)

(Remember: Red and black, friend of Jack, Red and Yellow, Kill a Fellow)

“Looking like a State” Pritchett, Woolcock, Andrews (2012)

# Isomorphic mimicry in flies and in schools: When is a school just a building and not an education?



Camouflage of looking like a bee and not a fly is a survival strategy for a fly....without the bother of being poisonous

Camouflage of looking like a school—buildings, teachers, kids in uniform—allows public schools to survive without all the bother of educating children

## Ecosystem for organizations

Closed

How Open is the System?

Open

Agenda Conformity

How is Novelty Evaluated?

Enhanced Functionality

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## Organization

Isomorphic Mimicry

Strategies for Organizational Legitimation within the Ecosystem

Demonstrated Success

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## Agents

Organizational Perpetuation

Leadership Strategies

Value Creation

Self-interest

Front-line Worker Strategies

Performance Oriented

# Dangers of Isomorphic Mimicry

- Stagnation in capability for innovation by line ministries as they remain in “compliance” mode with “more of the same”
- “Best Practice” transplants from other places without stipulating relevance
- Cost escalation as “new” and “novel” programs are added without winnowing

# You cannot beat a turtle into moving ahead

**The head has to come out for the body to move**

**Public sector organizations can usually survive “external” attack (e.g. by planning ministries)...by not moving**



PDIA (Problem Driven Iterative  
Adaptation) as an approach to  
*building capability of state  
organizations* while producing  
results

# Four Principles of PDIA (Problem-Driven Iterative Adaptation)

- 1. Local Solutions for Local Problems**
- 2. Pushing Problem Driven Positive Deviance—  
Authorize a crawl of the design space**
- 3. Try, Learn, Iterate, Adapt**
- 4. Scale Learning through Diffusion**

This section is based on Andrews, Pritchett and Woolcock 2013 (forthcoming)

# Good Problem Definition is Key to Good Solutions

- Agenda for action focused on a *locally nominated* (through some process) *concrete problem*
- Not circular “solution” driven that defines the “problem” as the lack of a particular input (e.g. “teacher qualifications”) or process (e.g. “EMIS”)
- Rigorous about *measurable* goals in the *output/outcome* space (e.g. cleaner streets, numbers of new exports, child learning, better job retention)—can we know if the problem is being solved?

# Examples of the shift: Policing in the USA

**Old Model: Input/process driven, a good police force:**

- Responds to calls
- Closes cases

**New Model: Reduce *specific* and *measurable harms***

- Eliminate open air drug markets (USA)
- Improve treatment of rape victims at police stations (South Africa)

# Examples of the shift to “problem driven”: Workplace safety regulation in Brazil

## **Old Model: Compliance mode**

### **A “good” agency:**

- Carries out regular inspections of all workplaces
- Penalizes those not in compliance with norms

## **New Model: Goal to actually reduce worker accidents**

- Look at incidence of accidents and set concrete outcome goals to reduce accidents
- Free up agents to work proactively on accident reduction

# Pushing Problem Driven Positive Deviation

- Authorize some agents (not all) to move from process to flexible and autonomous control to seek better results
- An “autonomy” for “performance accountability” swap (versus “process accountability”)
- Only works if the authorization is problem driven and measured and measurable... increase the ratio of “gale of creative destruction” to “idiot wind”

# Policy Makers

Design policy based on global "best practice"

# Organizations & Agencies

Implement according to local constraints

Rent Seekers

Bureaucrats

Innovators

Process Controls

Space for Achievable Practice

Process Controls

Policies include process barriers to prevent malfeasance

Process controls also prevent positive deviations

Lower Outcome

Outcome

Higher Outcome

# Policy Makers

Design policy/project to allow designated innovators to search for local "Best Fit"

Internal authorization of positive deviation

Rent Seekers

Bureaucrats

Designated Innovators

Process Controls

Space for Achievable Practice

Process Controls

Policy Deviations

Feedback on Outcomes with shut down or modification of failures and/or replication of successes

Worse outcomes

Current outcomes

Better Outcomes



# Authorizing positive deviation

## Positive Deviation

- Allow flexibility in methods against specified and agreed to problems
- “Fence breaking” activities that allow deviations from process controls for designated activities
- Rapid feedback loops to search over design space

## This isn't current practice...

- “Board” culture with lots of attention to ex ante design with little scope for innovation
- Risk averse and “scandal avoidance” culture in which admitting “failure” is not an option.
- Little flexibility in process controls in project preparation (e.g. safeguards)
- Not a problem of staff but of *structure of organization governance*

# Try, Learn, Iterate, Adapt: It's all about MeE

- **Monitoring:** mainly internal, about inputs and process controls (e.g. was budget spent against acceptable items in acceptable ways)
- **experiential learning:** Using the process of implementation itself to provide as tight as possible feedback loops on implementation
- **Impact Evaluation.** Evaluation (of the Big E type): mainly ex post, able to focus on *outcomes* and outputs and tell “with and without” project... with a longish time lag for a specific element of the design space

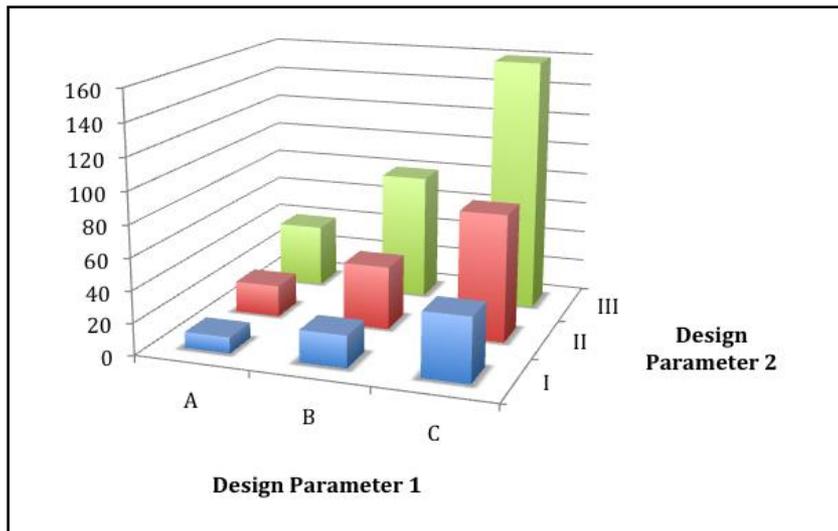
# A project as a purposive, feedback informed, crawl of a hyper-dimensional and potentially complex design space

- A project is the instance of a class of projects—a “CCT” or “Road Construction” or “Community Driven Development” has many design space dimensions.
- The “fitness space” over the design spaces is not well known
  - Can be “interactive” among design elements
  - Can be non-linear
  - Can be “contextual”
- Limited “external validity”

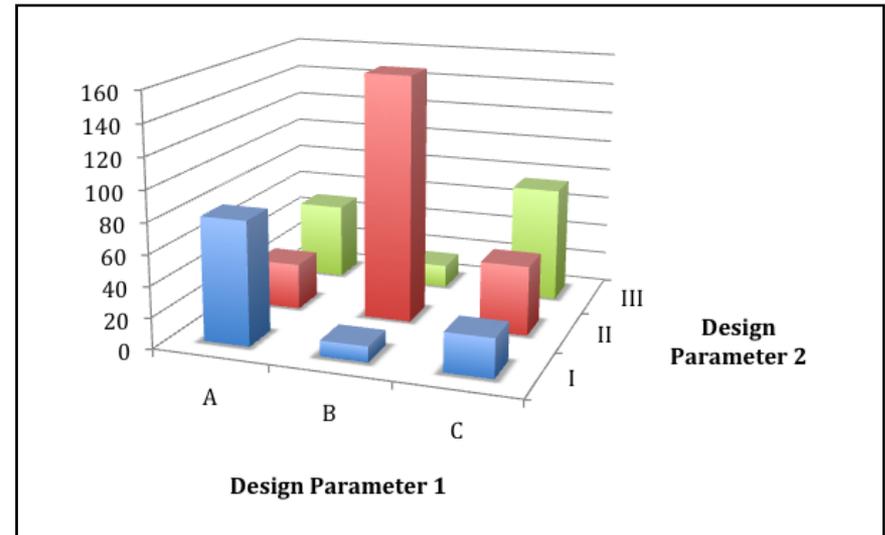
| Dimension of design space of a CCT                     | PROGRESA, Mexico (Oportunidades)   | Red de Protección Social, Nicaragua   | Malawi   |
|--|--|---|--|
| Who is eligible?                                       | Poor households (census + socioeconomic data to compute an index)  | Poor households (geographical targeting)  | District with high poverty and HIV prevalence  |
| To whom in the household is the transfer paid?         | Exclusively to mothers   | Child's caregiver (primarily mother) + incentive to teacher                         | Household and girl   |
| Any education component to the CCT?                    | Yes – attendance in school   | Yes – attendance in school  | Yes – attendance in school   |
| What are the ages of children for school attendance?   | Children in grades 3-9, ages 8-17  | Children in grades 1–4, aged 7–13 enrolled in primary school                        | Unmarried girls and drop outs between ages of 13-22  |
| What is the magnitude of the education transfer/grant? | 90 – 335 Pesos. Depends on age and gender (.i.e. labour force income, likelihood of dropping out and other factors)      | C\$240 for school attendance. C\$275 for school material support per child per year | Tuition + \$5-15 stipend. Share between parent (\$4-10) and girl (\$1-5) was randomly assigned |
| How frequently is the transfer paid?                   | Every 2 months   | Every 2 months  | Every month  |
| Any component of progress in school a condition?       | No   | Grade promotion at end of the year  | No   |
| Any health component of the CCT?                       | Yes – health and nutrition   | Yes - health  | Yes – collect health information   |
| Who is eligible for the health transfer?               | Pregnant and lactating mothers of children (0-5)   | Children aged 0–5   | Same girls   |
| What health activities are required?                   | Mandatory visits to public health clinics  | Visit health clinics, weight gain, vaccinations                                     | Report sexual history in household survey (self-report)  |
| Who certifies compliance with health conditions?       | Nurse or doctor verifies in the monitoring system. Data is sent to government every 2 months which triggers food support | Forms sent to clinic and then fed into management information system                |  |

# Rugged fitness spaces (illustrated in an absurdly low-dimensional case)

Smooth, linear, no interactions



“Rugged” fitness space: returns depend in non-smooth ways on location in design space



# Crawling the design space: Purposive muddling through

## MeE

- *Strengthen* monitoring on outputs and outcomes (where possible)
- *Structured experiential learning* feeds back into real time management and changes in implementation
- *Impact Evaluation* is a supplement to this learning strategy

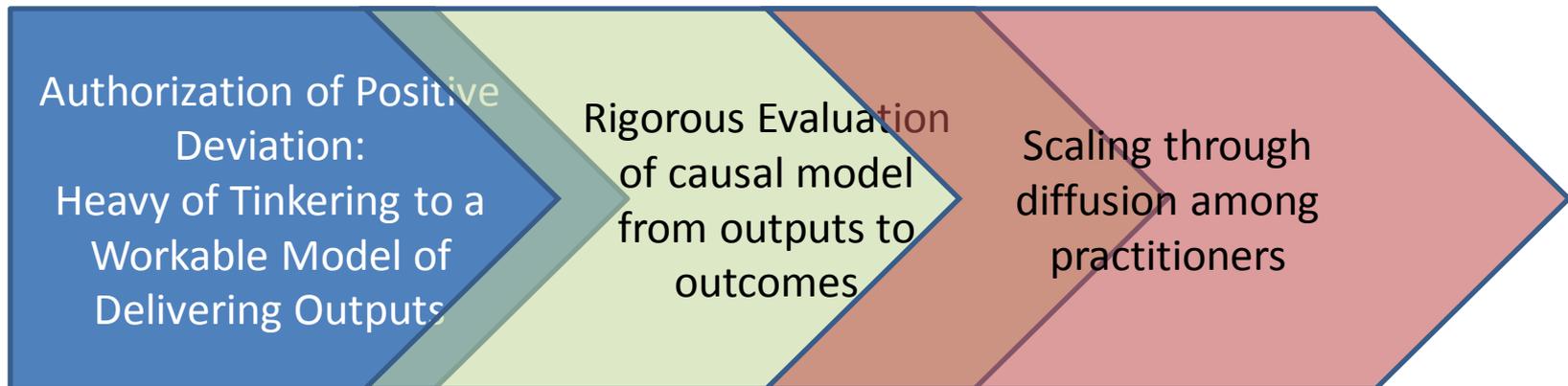
## This is not current practice...

- Monitoring is often about process compliance and inputs (disbursements)
- There is learning, but informal, on sparse data, and without specification of alternatives.
- “Impact evaluation” as the dominant mode of organizational learning is too expensive, too slow, too few and when “independent” doesn’t build organizational capability

# Examples of PDIA like approaches

- All of the competitive private sector (with “creative destruction”)—e.g. the rise of Google as the first to put the pieces together
- Labor regulation in Brazil—worked with the firms with the most accidents in cooperative mode to change processes (without cost increases) based on accident data
- KDP (community block grants) in Indonesia, allowed local governmental agencies to bid for locally designed projects with *processes* of decision making, not outcomes
- Labor regulation in Cambodia, built up from case by case resolution of non-binding arbitration to create “achievable practice” in labor practices

# A phased approach of learning (in practice, not pilots) followed by scale



# Role of Social Scientists and Impact Evaluation

## Stage of PDIA

- Problem definition
- Articulation of the design space
- Tinkering/feedback loops on implementation
- Rigorous impact evaluation (from inputs to outcomes)

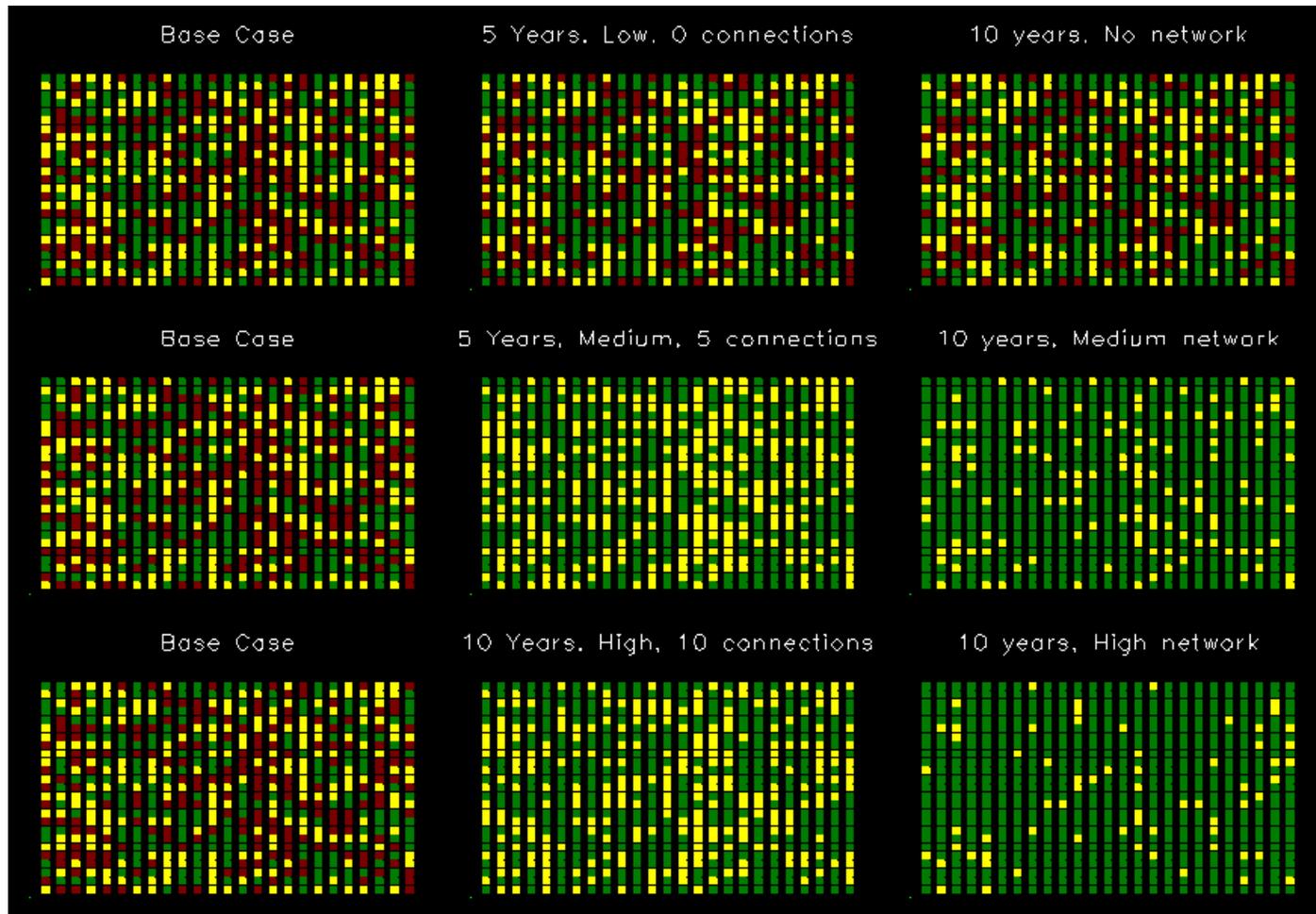
## Role of economists/social scientists/evaluation

- Measurable outputs and outcomes (over inputs)
- Consideration of a range of alternatives drawing on existing experiences (not “best practice”)
- Get data into decision making
- Assess the underlying causal model of inputs to outcomes (“independent” impact evaluation)

# Scaling of better practices through diffusion

- “Cannot juggle without the struggle” or “only learning is learning”
- If we want to increase organizational practices by agents in complex practices then agents have to willingly adopt practices as acknowledged to be better
- “Communities of practice” evolve “standard of care” in an evidence based “thick accountability” mode (e.g., not “top down” or “rigorous”)

# Horizontal diffusion through communities of practice can rapidly changed behavior



# Mode of learning—and behavioral change--must be adapted to the nature of the activity

| Classifications of tasks/activities                                 | Learning model or diffusion to scale changed behavior of implementing agents |
|---|--|
| Implementation light policy (including elite concentrated services) | Professionalized best practice   |
| Logistics   | Top down (perhaps technologically imbedded)                                  |
| Implementation Intensive Service Delivery                           | Horizontal diffusion in a community of practice                              |
| Implementation Intensive Imposition of Obligation                   |  |
| Wicked Hard   | Leadership followed by move into IISD or IIIO above                          |

# The practice of delivery

## Scaling through horizontal diffusion

- People adopt changed practices by being convinced it is better by learning from their own or trusted source experience
- “Problem focus” allows learning to be contextualized
- Not the ontological kind of thing of which there can be a “science” but can be improved practices

## This is not current practice...

- Search for “best practice” which can be easily replicated.
- A search for evidence of “what works” that is “rigorous”—but without external validity
- “Top down” learning so that “leaders” innovate and “followers” follow

# In summary: how PDIA differs

|                     | “Big D”<br>(e.g. WB, agencies)   | “small d”<br>(e.g. NGOs)   | PDIA   |
|---------------------|--|--|--|
| What drives action  | Solutions (“institutional mono-cropping”, “best practice”, AMTTBP)   | Solutions (variety of antidotes – e.g. “participation” “community driven”) | Problem Driven—looking to solve particular problems                                  |
| Planning for action | Lots of advance planning (implementation of secondary importance)  | Boutique, starting very small with no plans for scale                      | Authorization of positive deviation, purposive crawl of the design space             |
| Feedback loops      | Monitoring (short, on financing and inputs) and Evaluation (long feedback loop on outputs, maybe outcomes) | Casual, geared to advocacy not learning                                    | MeE: integration of rigorous “experiential” learning into tight feedback loops       |
| Scale               | Top-down—the head learns, implementation is just muscle (“political will”)                                 | Small is beautiful...<br>Or, just not logistically possible                | Diffusion of feasible practice across organizations and communities of practitioners |

# More details at...

- Matt Andrews, Lant Pritchett and Michael Woolcock (2012) 'Escaping capability traps through Problem-Driven Iterative Adaptation (PDIA)' Working Paper No. 299, Center for Global Development (forthcoming in *World Development*)
- Lant Pritchett, Michael Woolcock and Matt Andrews (2013) 'Looking like a state: techniques of persistent failure in state capability for implementation' *Journal of Development Studies* 49(3): 1-18
- Lant Pritchett, Salimah Samji and Jeffrey Hammer (2012) 'It's all about MeE: using structured experiential learning ('e') to crawl the design space' Working Paper No. 104, WIDER (December 2012)