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CASE COMPETITION

Collaborating, learning, and adapting (CLA) have long been a part of USAID's work. USAID staff and implementing partners have always sought ways to better understand the development process and USAID's contribution to it, to collaborate in order to speed and deepen results, to share the successes and lessons of USAID's initiatives, and to institute improvements to programs and operations. Through this case competition, USAID and its LEARN mechanism seek to capture and share the stories of those efforts. To learn more about the CLA Case Competition, visit USAID Learning Lab at usaidlearninglab.org/cla-case-competition.

Grants Improve Decentralized Service Delivery: Evidence from Uganda

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What is the general context in which the story takes place?

The Strengthening Decentralization for Sustainability (SDS) Program is a six-year, $54.9 million, USAID-funded project in Uganda. The program is USAID's vehicle for empowering local governments in Uganda to drive the decentralization process, a necessary condition for sustained improvement in social sector services. The overall focus of the program is to build the capacity of 35 partner districts and sub-county local governments in order to improve service delivery by providing technical assistance (TA) and by complementing local government resources with grants. This report summarizes the collaborating, learning, and adapting (CLA) study that the SDS Program carried out to assess the impact of one of its intervention approaches: program support through "Grant A," a major performance trigger for decentralized service support to 35 district local governments in Uganda.

SDS grants aim to complement existing resources needed for effective and efficient management of programs and services, as well as facilitate strategic innovations that improve district leadership and sustainable financing of health services. Essentially, the SDS Grant A provides resources for program support to the district for non-wage expenditures needed to implement health and other social sector programs and services. These programs and services are typically implemented by the District-Based Technical Assistance partners (DBTAs) and national implementing partners (IPs). Grant A uses performance-based financing incentives; that is, grant recipients (districts) must meet certain performance indicators over the life of the grant in order to continue receiving funds and expand their involvement with the program. By offering the possibility of additional resources, districts are given an incentive to improve service delivery. Grant A follows a strict implementation process with which districts must comply if they are to secure the grant.

What was the main challenge/opportunity you were addressing with this CLA approach or activity?

The SDS grants portfolio comprises three grants—Grant A (coordination), Grant B (TA), and Grant C (innovation)— with an overall amount of $16 million. Grant A has been the most effective: To date, four rounds have been awarded and implemented successfully. SDS grants aim at complementing resources needed for effective and efficient management of programs and services to facilitate strategic innovations that improve district leadership and sustainable financing of health services. Essentially, Grant A provides resources for

program support to the district for non-wage expenditures needed to implement health and other social sector programs and services that are typically implemented by the DBTAs and national IPs.

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Given SDS' unique model, USAID and the international development community may be particularly interested in understanding the impact of the project and its interventions. If this model can improve local governance, facilitate coordination between IPs and districts, and subsequently strengthen service delivery, it may be an important example to replicate across and beyond Uganda.

SDS adopted the USAID Uganda CLA framework to determine its effect on partner districts before and after SDS intervention and become a more effective learning and development organization. SDS decided to conduct a CLA study, specifically to assess the impact of these two intervention approaches on local government service delivery and system strengthening. In order to address issues of causality, we identified a comparison group and undertook a quasi-experimental design to compare the impact of both TA and Grant A in SDS partner districts vis-à-vis the selected non-SDS districts (within and between districts).

Describe the CLA approach or activity employed.

SDS carried out the CLA study to assess the impact of two of its intervention approaches: program support through Grant A and direct TA. These components have been the major performance triggers for decentralized service support to 35 district local governments in Uganda. The study was conducted using a quasi-experimental design, which matched 12 SDS-supported districts with 12 similar districts that did not receive SDS support. Matching criteria for non-SDS districts included size, population, district age, chief administrative officer's length of tenure, geographic makeup, economic status, and HIV/AIDS incidence.

For logistical and cost reasons, we randomly selected a subset of SDS and non-SDS districts: four SDS districts and four non-SDS districts from each of Uganda's three regions (Central, Eastern, and Western), for a total of 24 districts. Two sets of questionnaires were developed—one to assess Grant A impact and the other to measure TA impact—with items organized around key expected impact areas. Data was collected from the various districts, delivered to SDS headquarters, and checked for completeness, consistency, and accuracy.

We integrated data quality analysis throughout the study, with particular attention to the following quality elements: validity, reliability, precision, integrity, and timeliness. As part of data quality control, data collectors were trained, and each collection team was assigned a supervisor who was highly knowledgeable and experienced in collection. The monitoring and evaluation (M&E) team provided technical backstopping and was consulted from time to time to provide clarity and/or advice on emerging challenges faced during the data collection exercise.

Last, the data was entered into EpiData, a simple data entry and documentation software, and analyzed for descriptive and multivariate statistics using SPSS.

The study revealed a clear advantage for SDS-supported districts. The major advantages observed in SDS districts were the ability to raise local funding; spending a greater portion of local revenue on health and community-based services (OVC); having well-structured and defined indicators for tracking progress on a quarterly basis; holding quarterly committee meetings (District Orphans and Vulnerable Children Coordination Committee, DOVCC, and District Health Management Team, DHMT) and resolving action points emanating from them; undertaking integrated support supervision in which recommendations were addressed before the next supervision; and showing improvement in the annual local government performance assessment.

Were there any special considerations during implementation (e.g., necessary resources or enabling factors)?

All respondents in the CLA study agreed that there was an efficient indicator system for monitoring implementation progress on a quarterly basis. The study identified a number of factors that support quarterly monitoring of performance in social service sectors: The most outstanding were the availability of funds and making M&E a mandatory practice.

Study Limitations

Self-reported data: Due to the study's reliance on self-reported data, and the fact that questions about the SDS Program were presented to direct recipients of SDS support, there is a potential source of bias in the given responses. SDS will complement results from the self-reported data by undertaking another study, a review of pertinent district local government documents such as work plans, budgets, audit reports, and performance reports.

Question interpretation: There is a possibility that respondents interpreted questions and categories in different ways, affecting the comparability of some responses. For example, in-depth interactions with SDS staff may have led respondents in SDS-supported districts to have a different understanding of certain concepts (e.g., integrated planning) than respondents from non-SDS supported districts.

Despite of these limitations, the CLA study provided in-depth information on district performance and the contributions that district leaders attributed to SDS support via grants. This information can help SDS identify areas of focus to improve the quality of SDS interventions and, ultimately, the performance of district local governments.

What have been the outcomes, results, or impacts of the activity or approach to date?

Local government systems for delivering services in SDS districts were improved, and that improvement can be attributed to Grant A program support.

The major positive results observed in SDS districts were: increased ability to raise local funding; greater portion of local revenue spent on health and community-based services (e.g., OVC); well-structured and defined indicators for tracking progress on a quarterly basis; quarterly committee meetings of the District Orphans and Vulnerable Children Coordination Committee (DOVCC) and the DHMT, with resolution of resulting action points; integrated support supervision in which recommendations were addressed before the next supervision visit; and improvement in the annual local government performance assessment.

All SDS-supported districts reported improvement in social services delivery, compared with 93 percent of the non-SDS districts. The major reasons for improvement correspond to areas supported under the SDS grant, such as improved funding, support from implementing partners, good political will by district leaders, improved staffing levels, improved coordination with other agencies, capacity building, and increased staff commitment.

The major factors that respondents raised as hindrances to service delivery include low funding to different sectors, poor staffing, poor infrastructure, limited facilitation, and delayed release of funds.

The CLA impact assessment also examined how SDS districts fared in the National Local Government Assessment compared with non-SDS districts. The results revealed a clear improvement in performance among SDS districts across the three fiscal years studied. Although we cannot be certain that these improvements are solely attributable to SDS, one can be reasonably confident that SDS grants were a significant driver of performance improvement. The main factors facilitating this performance that relate to SDS interventions are good working relationships with IPs, capacity building, and financial discipline.

What were the most important lessons learned?

1. SDS (and other programs using similar interventions) should, in general, look to consolidate technical assistance delivered over a period of time that appears promising but has unremarkable impact, rather than initiate new areas of assistance. Some interventions involve changes in skill sets, organizational cultures, or systems that are reinforced over time and thus may not be manifested fully in the short term. Nevertheless, they can have great impact over the longer term. Areas that we believe have maximum potential for impact and should be followed up include coordination, support supervision, financial management, M&E, integrated planning and budgeting, and local revenue enhancement.

2. Because our study took place only two and three years following the start of the interventions (TA and Grant A, respectively), another assessment should be undertaken at some point to help SDS and USAID better understand the longer-term effects of these interventions. That study should also include a qualitative component, which may help to decipher the complex dynamics involved in social sector service delivery.