



**LEARNING FROM EXPERIENCE AT THE IMF:  
AN IEO ASSESSMENT OF SELF-EVALUATION SYSTEMS**

**DRAFT ISSUES PAPER FOR AN EVALUATION BY THE  
INDEPENDENT EVALUATION OFFICE (IEO)**

July 29, 2011



*The IEO will undertake an evaluation of the self-assessment systems within the IMF. These are the systems used by IMF departments to learn from experience and to incorporate these lessons into their work. The evaluation will also assess the framework used to glean lessons from IMF-wide reviews of policies, strategies and operations, as well as other institution-wide assessments. This Issues Paper describes the scope, main questions, and methods for this evaluation.*

## I. INTRODUCTION

1. Learning from experience is important for any organization, and this is particularly so for the IMF given the importance of its mandate and operations to the global economy and financial system. In most organizations, evaluation serves as a critical element of the learning framework. It serves to draw lessons by assessing the results of activities and by determining what works and how. It examines the effectiveness of policies, strategies, tools and processes, and provides incentives for change by establishing a basis for accountability.
2. Key to learning from experience in real time, in the IMF as in any other organization, is to have good assessment systems integrated into the regular work of each operational unit; these systems are referred to as self-assessments or self-evaluations. The IMF has engaged in self-evaluations throughout most of its history, both at the departmental level as well as IMF-wide self-evaluations (now conducted mostly by the Strategy, Policy and Review Department and in the past by its predecessor departments in charge of policy and review, as well as by the Office of Internal Audit and Inspection). By its very nature, self-evaluation entails a high degree of ownership of conclusions and recommendations that may facilitate learning and implementation of its recommendations.
3. Since 2001, the IMF has added a third formal leg to its evaluation framework—the independent evaluations conducted by the IEO.<sup>1</sup> During the past decade, the IEO has issued 18 independent evaluations providing the IMF and the membership at large with lessons on a wide range of issues, as well as a framework for accountability.<sup>2</sup> Independent evaluations are intended to provide an objective perspective and frank assessments without being limited by internal dynamics as might be the case with studies prepared by the IMF staff. One important role for independent evaluation is to provide periodic assessments of the self-evaluation systems in their corresponding organization, examining the evaluation processes, the quality of the analysis, and the follow up in terms of learning and implementation. This evaluation is

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<sup>1</sup> Before 2001, independent evaluations were conducted by ad hoc external teams under terms of reference approved by the Board of Directors.

<sup>2</sup> The IEO is planning to prepare the following three self-assessment studies in preparation for a conference that will take place during December 2011 to mark its tenth anniversary: (1) an assessment of the processes involved in preparing and utilizing IEO evaluations at the IMF; (2) a study analyzing the evolution of IEO evaluations focused, inter alia, on the selection of topics, the methods used, and the type of recommendations; and (3) a status report on the implementation of IEO recommendations.

the first such assessment undertaken by the IEO. It will focus mainly on processes, with some attention to the quality of analysis and follow up.<sup>3</sup>

4. This IEO evaluation will examine self-evaluation systems across the different units of the IMF. It will describe the processes that are in place to assess the successes and shortcomings in operations and activities (e.g., Ex Post Assessments), how lessons are drawn and shared within and across units, and how these lessons are used to enhance IMF effectiveness. It will also explore how IMF-wide reviews draw on experiences from across the institution, how lessons are derived from these experiences and what systems are in place to ensure that findings and conclusions are brought to the attention of the Executive Board. Finally, the evaluation will look at the processes by which these conclusions are converted into recommendations or Board decisions and what systems are used to monitor the implementation of these decisions or recommendations. In sum, this evaluation will study how IMF staff reviews its work and how it translates findings from these reviews into learning and institutional change.

## II. EVALUATION SCOPE, QUESTIONS, AND METHODS

5. The role of this evaluation is to review the processes and quality of self evaluations, as a way to enhance the overall learning culture at the IMF. In particular, the evaluation will cover self-assessments conducted by individual IMF departments of their operational work and activities as well as evaluations carried out by the Strategy, Policy and Review Department (SPR) and the Office of Internal Audit and Inspection (OIA) in their reviews of policies (e.g., surveillance, conditionality), use of Fund resources programs, country surveillance work, financial policies, risk management, and governance. The evaluation will cover the period since 2006.

6. The following are some of the questions that will be addressed in the this evaluation:

- **Department self-assessments.** Are self-assessments undertaken by each department? Is this done in a systematic way in terms of methods and periodicity? How are findings documented? Are there collaborative efforts to draw conclusions and lessons that can be used to improve future work? What mechanisms exist to incorporate these lessons into operational work? How is this monitored?
- **IMF-wide self-assessments.** What assessments are undertaken by SPR and OIA? Are these mandated by the Board? Are there other assessments beyond those mandated by the Board? How do SPR and OIA involve staff from the corresponding departments

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<sup>3</sup> Periodic independent assessment of self-evaluation systems are conducted in many organizations. For example, the Independent Evaluation Group of the World Bank issued an *Annual Report on Operations Evaluation*, until 2006, which assessed monitoring and evaluating systems and provided recommendations to make these systems more effective in fostering learning and change. These issues are now covered in IEG's annual report, *Results and Performance of the World Bank Group*, which monitors and discusses arrangements for learning and accountability across the institution, and makes recommendations to improve effectiveness and results.

in the preparation of these assessments and in drawing lessons, conclusions, and recommendations? Are there mechanisms to monitor implementation in between periodic reviews? Is there an effort to monitor results, beyond monitoring implementation of recommendations?

7. The evaluation will gather information through a review of documents and semi-structured interviews with departments and members of the Executive Board, particularly current and past members of the Evaluation Committee.

### III. WORK PLAN

8. Below are descriptions of work that will be prepared as background for the evaluation.

- **A review of self-assessment in each department at the IMF.** This will document the mechanisms that are in place within each department to learn from the outcomes of its activities. The evaluation team will conduct interviews with staff in each department to explore if there is a formal process to assess its activities, to investigate how the process is implemented, whether it has any traction, and how it is documented. As part of this review, the IEO will assess a sample of Ex Post Assessments—these are documents prepared by staff after the completion of IMF-supported programs. In the absence of a formal self-evaluation process, the IEO team will assess whether there are informal systems that may play a similar role.
- **A review of self-assessments at the IMF-wide level.** This part of the evaluation will focus on the IMF-wide self-evaluations conducted by SPR and OIA.<sup>4</sup> SPR has the institutional mandate for strategic planning, policy development and quality assurance including the consistent application of IMF policies, instruments and practices. OIA has the mandate to review the effectiveness of risk management, control and governance processes of the organization. The evaluation team will catalog the reviews, examine the methodology that is used, and consider how the IMF learns from these exercises and how lessons feed back into operations. The evaluation team will conduct interviews with senior staff in SPR and OIA to document the processes and understand the outcomes.
- **A review of self-assessment at other international organizations.** The IEO team will prepare an annex describing the self-evaluation framework in some other international organizations. International organizations being considered for this purpose include: the Asian Development Bank, the European Bank of Reconstruction and Development, the Inter-American Development Bank, and the World Bank. It will also investigate whether self-evaluation processes are in place in central banks and/or ministries in selected member countries.

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<sup>4</sup> Some SPR assessments include: surveillance, conditionality, the role of the IMF in support of fragile situations, and the role of global financial safety nets.