Institutionalizing Accountability for Governmental Results: Public Performance Measurement and Evaluation Systems in Latin America

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Introduction

This paper reports on a qualitative comparative study of national Public Performance Measurement and Evaluation Systems (PPME systems) in Latin America. This approach to develop systematic and comprehensive systems at the national level of government represents the most common institutional choice through which countries in this region have responded to a global trend in public sector reform (Segone, 2010b; Vera, 2006; Mackay, 2006; Ospina, Cunill & Zaltsman, 2004). Indeed, this is part of a world-wide governance shift towards more accountability in the way public agencies use public resources to deliver services and governments turn to evidence-based policy making (Newcomer, 2007; Julnes, 2009; Moynihan, 2008, Radin 2006; Segone,2010b).

Directly assessing public management efforts to implement public policy, PPME systems in the region represents a deliberate attempt to address performance issues in the public sector. They target either public expenditures and /or strategic goals at the central or federal level. Most of them have been designed, in theory, with the explicit purpose of offering information about the consequences of governmental actions with the hope that documenting them offers helpful feedback for policy makers and public managers (Zalt, Zuzek and Rist, 2004; Cunill and Ospina, 2008). In other words, most are conceived as policy tools to develop a results-oriented culture and practice in the public sector, and in the context of a broader goal to support sustainable development (PRODEV, Serra, 2007;
Vera, 2006). As such, they are part of the broader public administration reform and modernization efforts in the region.

Efforts to develop public performance measurement and evaluation systems in Europe, Australia, the US and the UK have been extensively studied and reported in the performance management literature (OECD, 1995; 1997; 2004). While not sufficiently documented, the same enthusiasm exists in developing regions with respect to the broader trend. Furthermore, the emergence of national PPME formal, centralized systems as the strategic choice to address these global demands for public sector performance and accountability is not exclusive to Latin America (World Bank, 2010). Yet it does seem to be the most common response in the context of developing countries. For example, minutes from the International Conference on National Evaluation Capacities that the UNDP organized in 2009 in Morocco – with the attendance of representatives from 20 developing countries— report increasing expectations for countries to create country-wide evaluation and monitoring systems (UNDP, 2011).

As a region, Latin America has experienced much growth in this area, offering some of the leading edge and most mature examples of this type of institutional effort in the context of the developing world. To illustrate their rapid growth in the region, the 12 systems described in this article – two in Chile and Brazil respectively and one each in Colombia, Costa Rica, Uruguay, México, Nicaragua, Perú, Paraguay and Honduras\(^1\) -- emerged and evolved within a period of fifteen years, between 1991 and 2006, including experimentation periods, formal launches and subsequent efforts of redesign. At the same time, the nature of these systems varies from one country to the next, and despite \(^1\)Systems in other countries in the region also emerged during that period and others continue to emerge, but were not part of our empirical study.
similarities in the passage of time, some systems seem to experience more legitimacy and stability than others.

For example, the pioneer countries establishing PPME systems in the early 90s in the region -Chile, Colombia, Costa Rica and Uruguay- all intended to improve management practices and enhance accountability. Yet, they did so in two distinct ways. On the one hand, Chile and Uruguay introduced the systems according to what has been called a “budgeting-oriented model”, closer to the typical new public management reforms following the traditional managerial accountability principles. On the other hand, Colombia and Costa Rica introduced the systems within a so-called “planning-oriented model” (Cunill, Ospina 2003). The political emphasis of this model seemed to go beyond creating managerial accountability principles to promote democratic accountability principles (Ospina, Cunill & Zaltsman, 2004; Behn, 2001). At the same time, this distinction does not seem to help understand differences in the degree of their institutionalization, as among them, one budgeting-oriented and one-planning oriented seem to be doing better than their counterparts in each type.

The empirical study of these systems deserves attention, and can offer important theoretical insights and practical lessons for our understanding of public sector performance management efforts in general. Over time the discussion in the region has evolved from understanding how the PPME systems emerged and were built (Ospina, 2001; Cunill & Ospina, 2003), to exploring the factors that contribute to their institutionalization (Mackay, 2006; Cunill & Ospina 2008). It is in this context that the research reported here emerged. This paper reports the results of a comparative study
that produced independent case studies of twelve PPME systems in 10 countries\(^2\) and a comparative analysis across systems (Cunill & Ospina, 2008). The goal was to offer a deeper understanding of the factors that contribute to institutionalize the systems, under the assumption that PPME reflect an appropriate strategy to orient public management toward results that are effective and relevant to achieve development goals. While the study was motivated with very practical purposes—to find out ways to strengthen the existing systems—it’s design was theory-driven and rigorously implemented.

The paper is structured as follows: we first offer a brief background of the systems and what was known about them at the time of the study, locating them within the broader public management reform efforts. We then review the literature to offer a definition of institutionalization, and the factors that are said to affect it, posing several hypothesis to be tested qualitatively, given the early state of the field and scarce understanding of the systems in the regional context. We follow with a description of research design issues, discussing sampling, unit of analysis, methodology and data collection and analysis issues. We then present the findings, offering some descriptive comparative information about the systems and complementing them with an analysis of how the hypotheses fared illustrating them with selected cases. We then we conclude with a focus on directions for future research.

**Brief overview of the PPME systems in the region:** relevant background information

PPME systems are in general one of several useful instruments to promote the organizational integration required to ensure effective management for results (MfR)

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\(^2\) Originally 12 countries were part of the study, but two of the case studies were excluded because of data quality problems.
There are different approaches and distinct instruments to implement MfR in different contexts. For example, in European countries like France, Germany or Ireland, the focus of attention has been on the reform of budgetary processes, while in countries like Denmark, the Netherlands, Norway and Sweden the emphasis has been placed on the monitoring of activities and products. Australia, the US and the UK have created approaches that combine monitoring and evaluation of results (Serra, 2007). The general tendency in Latin America has been to introduce MfR through the national PPME systems. However, the region does not offer a homogeneous portrait. For example, some countries use their systems to support budgetary strategies while in others the system is intrinsically connected to planning strategies, and some systems give priority to monitoring while others have also developed evaluation tools (Cunill & Ospina, 2003; 2008). These variations can be associated with country level factors such as institutional design, history, political context and so on.

PPME systems in the region have been heavily promoted and supported by multilateral and bilateral organizations such as the World Bank, the InterAmerican Development Bank and more recently the United Nations Development Program. At the same time, the relative autonomy and the degree of experimentation invested in their design and development in each country suggest that they are more than a mere imposition from external actors. Instead, they result from exchanges and negotiations among parties with particular interest in developing tools for their country’s own purposes rather than to satisfy donor conditionalities for M&E (MacKay, 2006), an approach often combined with internal champions’ strategic attempt to leverage

3 Other factors include the creation of the right culture and values around management for results, effective leaders and managers, the government program, organizational structures, the set of products contributing to public value, budgeting and accounting systems, control systems, and communication systems.
international resources to respond to internal performance and accountability demands in their countries (Ospina, 2006).

Parallel to the PPME systems intending to cover the entire government, other M&E systems exist that have been developed at the ministry and agency levels (often reflecting a lack of coordination with national efforts that generates governance problems to be discussed later). Furthermore, with few exceptions, PPME systems do not replace (nor do they incorporate) audit agencies that continue to engage in control functions within the traditional public administration paradigm. Even more, there are also important recent efforts in some countries to replicate the logics of the national systems at the local level, which have resulted in municipal and state level PPME systems of their own. These are out of the scope of our research (given the absence of empirical research, very little is known about them today). Finally, there are also important independent civil society efforts to address governmental performance. These are integral components of the larger region’s growth of social accountability mechanisms (Peruzzotty & Smulovits, 2006; Ackerman, 2004; Cunill Grau, 2009) which are not directly connected to the nation-wide PPME systems). Be that as it may, it could be argued that in Latin America, the national systems of PPME represent the most visible and influential aspect of its countries’ performance regimes (Moynihan et al, 2011; Moynihan, 2009). As such, understanding the factors that contribute to their institutionalization represents an important research agenda.

A note of caution is important here. There is great volatility and rapid changes happen around these systems, as there is great interest in performance measurement and management in the region. Therefore the characteristics and properties identified for each
system today may not be the same that they have tomorrow. The review below offers
evidence of this dynamism, but ultimately, as soon as this information is documented, it
is very likely that the specific details that constitute the systems will have already
changed.

**Literature review: Institutionalization of Latin American PPME systems**

A growing and quite rigorous non-academic literature largely driven by
international cooperation institutions discusses the nature of the systems and factors of
success and failure, offering illustrative cases and lessons learned from practice (e.g. May,
Shand, Mackay, Rojas & Saavedra, 2006; Zaltsman, 2006; Garcia Lopez & Garcia
Moreno, 2010). Yet much more needs to be done to promote theory-driven, rigorous
qualitative and quantitative studies of the systems.

As systems have developed and grown, some rigorous comparative case studies
have emerged and offer more systematic insights, as illustrated by the finding from the
comparative case study research conducted between 2001 and 2002 of at least two
different types, a “budgeting-oriented” and a “planning-oriented” model (Cunill, Ospina 2003). Four years later, a follow-up study commissioned by the World Bank and the UN
regional agency CLAD⁴ produced both independent case studies of twelve PPME
systems in 10 countries⁵ and a theory-driven comparative analysis across systems (Cunill & Ospina, 2008). The results of the comparative study are reported in this article.

Additional empirical research has also started to offer deeper insights about
selected dimensions of these systems, often focusing on the leading edge cases in the

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⁴ Translated from its acronym in Spanish, it is the Latin American Center for Development Administration

⁵ Originally 12 countries were part of the study, but two of the case studies were excluded because of
data quality problems.
region, as is the Chilean Ministry of Finance’s Management Control System (SCG in its Spanish acronym) (Zalstman, 2008, 2009). Nevertheless, the academic literature reporting on empirical research is scant, in contrast to the richness found about systems in the US and other OECD countries. The striking difference in contexts between the public sector of developed and developing economies would suggest that findings from the former must be taken with caution to inform research about the latter. We draw on theoretical literature, combined with what systematic observation of practice in the region, to develop and test a series of propositions about the factors influencing on the institutionalization of the systems.

**Institutionalization of the systems and factors that influence it**

A sociological perspective on institutionalization considers its nature both as a process and as an outcome. The former refers to the process through which an organizational entity becomes infused with value, that is, legitimized so as to gain the instability to fulfill its reason of being (Selznick, 1957). The latter refers to the construction of agreements over time that result in the enduring repetition of routines, habits, actions and interactions according to expected roles, so as to help social actors perform with ease, thus creating capability and competence in the system without additional effort (Berger and Luckman, 1967). One could thus think of the institutionalization of PPME systems in reference to the development of evaluative capabilities as well as sufficient legitimacy to be sustained over time without explicit effort from a champion and such a way that its presence is taken for granted as a valuable component of a public administration.

These systems can be framed either from an expressive, supply-side perspective where high quality monitoring and evaluation systems intrinsically justify themselves.
(Rotondo, 2007) or from an instrumental, demand-driven perspective that focuses on how useful is the information produced by PPME systems to the system (Bamberger et al 2006). These approaches underscore respectively two critical factors of growing importance: the learning process and the range and multiplicity of actors feeding from the evaluation results.

The first view frames developing evaluative capabilities as an interactive, gradual and creative process of mutual learning, where subjects (individuals or organizations) improve and complement their knowledge, skills, and attitudes to address situations effectively and in a context-appropriate manner. It implies that the key purpose of a PPME system is to provide lots of information about an undertaking, or many quality evaluations to inform a given intervention. A demand driven model, in contrast, defines the primary purpose in relation to their utilization for attaining government objectives (Mackay, 2006). It holds that the development of evaluative capabilities demands strengthening the ability and will of actors potentially involved, so that they develop the skills and motivation to commission, conduct, understand and use evaluation (Bamberger et al 2006; 356). The demand driven model reinforces a critical link between utility of the PPME system and its chances for institutionalization. Focusing analytical attention on the promotion or creation of demand is necessary precisely because it is not often realistic to assume existing demand in the public sector (Toulemonde 1999; 153).

To operationalize the construct, we followed Mackay’s definition of institutionalization of a PPME system: the existence of sufficient demand of its functions to guarantee its financing and sustainability in the foreseeable future. Furthermore, the results of the system, he argues, must be positively valued by the principal interested
parties, and employed by them in the quest for good governance (Mackay, 2007: 23). In this view, the institutionalization of a PPME system requires establishing processes, institutional structures, committees and other elements that make it viable, but goes beyond such actions. The degree of institutionalization is rather reflected in the capacity of such processes and structures to have a real impact on public administration, in as much as actors find the information generated by the PPME systems relevant and useful to enhance their work, and in as much as this goal is part of a broader goal associated with government performance.

When this happens, the demand for the information will create the institutional conditions for the systems to be sustained over time, without the need of champions. This framework thus addresses both capabilities and institutional incentives for the use of the information generated, even by those entities being evaluated, in the form of feedback loops that produce learning and aid decision-making. In addition, institutionalization also relates to the ability of the PPME system to withstand political changes with some degree of stability, as systems require time to become effective and efficient (Mackay, 2006). Given the scarcity of empirical studies on institutionalization of PPME systems in developing contexts, we tried to gauge the degree of institutionalization of the systems qualitatively, considering two combined variables: stability and information consumption.

**Contextual factors influencing the nature of the systems**

Cunill & Ospina’s early study (2003) of systems in Chile, Colombia, Costa Rica and Uruguay revealed a qualitative correlation between the aims to improve management practices and enhance accountability and the broader institutional context in which they were embedded. They thus categorized the experiences of the four countries according to
their broad functional aim, with Chile and Uruguay following a “budgeting-oriented model” and Colombia and Costa Rica following a “planning-oriented model”.

One of Chile’s systems, *Sistema de Control de Gestion* (SCG) (its Spanish name translates roughly into Management Control System) and Uruguay’s system, *Sistema de Evaluacion de la Gestion por Resultados* (SEGPR) (roughly translated to Results-based Public Management and Evaluation System) were introduced to essentially support the budgeting cycle, seeking information to improve budget design and allocation within a framework of managerial accountability. This explains the name “budgeting-oriented models”. These systems were logically hosted in agencies with broad authority over the National budget and policies supporting its development. Given the emphasis on managerial accountability, central budgeting agencies were the main users of the information.

In contrast, Colombia’s *Sistema Nacional de Evaluacion de los Resultados de la Gestion* (SINERGIA) (roughly, Public Management Results Evaluation System) and Costa Rica’s *Sistema Nacional de Evaluacion* (SINE) (National Evaluation System) were created to support strategic planning and decision making at both policy and organizational levels. In these systems information was geared to improve the implementation of the National Development Plan, the long-term planning roadmap that operationalizes the political platform of the elected President and his administration. In theory, the PPME systems would thus help the ministries align their sectorial policies and performance towards the collective fulfillment of the National Development Plan. This is why these systems represent a “planning-oriented model”. They were hosted in the central government planning agencies supporting the ministries’ decision and policy
implementation processes. Given the emphasis in political accountability the main users were the planning agencies, the president and his top officials.

The implications of this overt attention to planning or to budgeting is directly linked to attributes of the institutional context of developing nations in comparison to the way the planning-budget interface gets to be played out in the context of developed countries (Schick, 2005). As Schick suggests, developed nations may not need to use budgeting itself as a development instrument, as less developed nations must. Broad inequalities and the extent of unsatisfied social needs demands a less incremental and more strategic process of budget preparation in reference to the broader national development needs. Indeed, the inclusion of planning in resource allocation takes two different routes in the region. In one case, planning drives the process, with multi-year development plans driving budgeting by defining national priorities that determine medium term expenditures. In the other, it is the preparation of the national budget what drives the mid-term planning. These two models correspond to the two types of PPME systems identified (Cunill & Ospina, 2003).

In a latter paper Ospina, Cunill & Zaltsman (2006) explored how these systems relate to broader issues of democratic governance, highlighting the goal of democratic accountability as a key design feature of two of the systems. They highlight the urgency to further study empirically the factors that help explain these differences. Since the first empirical study in the early 2000s, national PPME systems have flourished in the region, offering an opportunity to explore the extent of the association between institutional context and the choice for a PPME system under a budget or a plan model. The first proposition for empirical study in this paper is thus:
**Proposition 1:** a direct relationship between the functional orientation of the PPME system and the country-wide institutional context around resource allocation implies that systems in countries driven by a national development plan will be politically oriented and countries driven by a national budget process will have economically oriented systems.

**Factors that influence the system’s institutionalization**

The literature poses several approaches to evaluate the institutionalization of a PPME system, but all coincide in the importance of considering supply and demand-driven issues: on the supply side, design (resources, structure and functions of the system) and operational framework (enabled human resources, available financial resources and organizational resources for change management) are stressed; on the demand side, issues like the quality and relevance of the products (for multiple stakeholders) are stressed (Feinstein, 1999; Rotondo, 2007; MacKay 2007). Rotondo also adds to this list the importance of communication of results through institutionalized avenues that give feedback to planning and strategic processes, with dissemination to key actors.

A review of the scant empirical literature on the systems, including both academic and practice oriented reports, suggests that four clusters of factors may influence the degree to which information is actually used to enhance good governance in ways that would result in the institutionalization of the PPME systems: functional and instrumental diversification; institutional coherence; sustainability of institutional infrastructure; and quality of the information.

**Functional and instrumental diversification** – The nature of a PPME system is greatly determined by the functions that it was meant to produce when it was created, which in fact, determines what types of instruments it may create (Ospina 2001). Cunill & Ospina (2003), Mackay (2006) and Zaltsman (2006b) suggest that the most ambitious systems in
the region try to attain two or more of the following functions: guide resource allocation in the budgetary process; contribute to the planning of national and sectorial policy; facilitate the management and enhance the delivery of services; and reinforce accountability relations.

This speaks to the idea of functional diversification (and with it, most likely of the instruments designed to achieve it). Considering the pioneer countries that have been empirically analyzed, most systems declared formally many of these functions, but in practice they tended to emphasize one or two at a time, particularly given the extent to which their system was consistent with a plan or a budget model (Cunill & Ospina, 2003). This in turn influences the mechanisms to be used. For example at the time of that study all four countries engaged in monitoring activities, but only one of Chile’s systems was performing evaluations. While Colombia’s Costa Rica’s original design included evaluations, Colombia was starting to implement them, Costa Rica seemed to have no intention to do so, and Uruguay’s system was designed exclusively to do monitoring. It could be argued that the more functions a system serves, the more potential users it will have, and thus, more likely it is that it would be utilized. Hence, we propose:

**Proposition 2:** The more functionally diverse the system and its tools, the more the demand for information, and thus, the more institutionalized

**Institutional Coherence** – The degree of functional and instrumental diversification also influences at what level of action the PPME system will operate (macro, policy level, meso, organizational level, or micro, behavioral level). In the public sector, traditional strategic planning demands considering institutional design elements that require a
systemic view: all public actions, independent of level, is ultimately part of a chain, at least in theory, that ends with the broader vision the society has charged its elected representatives to implement (Ospina, 2001; Abitbol, n.d; Figueroa, 1998).

At the behavioral level, the evaluation of employee performance and the extent to which it contributes to attain organizational mission is linked to the meso level of organizational action, which must also be evaluated and monitored but with a different logic and set of instruments. Likewise, clusters of organizations implement mandates and deliver services within broader public policy goals at the level of programs and sectors. These, in turn are geared toward the macro level of action that requires evaluation and monitoring of overall institutional and policy performance. These levels are interdependent, and yet each demands monitoring and evaluation in its own terms, with particular instruments and even varied cycles of evaluation.

If the aim is to create a government-wide system of PME, as is the case in the region, then a key feature must be the integration of these levels and attention to their interconnections and the potential areas for articulation, per good public management. This capacity of articulation can be labeled institutional coherence, and there are two relevant types (Ospina, 2001). Vertical integration—or the reciprocal alignment between lower and higher jurisdictions, from supervisory units to agencies, to broader policy sectors—ensures that the system’s outputs are relevant, appropriate and legitimate to stakeholders at the various levels who may want to use them and thus demand them. In the 2003 Cunil & Ospina study neither of the four systems revealed appropriate vertical integration. For example, in cases where there was an aspiration to evaluate public policies, the macro-meso relationship was weak, and public managers were not using the
outputs of the systems to learn and enhance their work. Exploring what has happened in those cases with the pass of time may offer clues about institutionalization factors.

The other dimension of coherence is transversal integration, that is, the PPME system’s capacity for articulation with other key public administration processes like planning, budgeting, and human resources management. After all, monitoring and evaluation is not independent from other activities geared toward ensuring effective performance (Serra, 2007). Trying to just place a system in an existing administrative structure without a frame or the right incentives will result in failure (MacKay, 2000). Transversal integration will affect institutionalization by way of creating the conditions to ensure that the outputs of the PPME system offer pertinent information that is synchronized with the cycles of processes like budgeting, procurement and human resources, so that more stakeholders will find it useful and will demand it.

Of particular importance here is the interface between budgeting and planning, given the functional role that the PPME systems in the region tend to play in those two broad process, and the tendency to support either one or the other function, as described before. This is a particularly relevant consideration given the demands that the institutional context of a developing country place on ensuring a rigorous planning-budget interface (Schick, 2005), as discussed earlier.

The systems develop a specialized emphasis on budgeting or on planning when their functions respond to a planning or a budgeting model. This, among other factors, promotes a disconnect between the two important governmental functions (Schack, 2009), which is now recognized as a major institutional weakness of both models. Since Cunill & Ospina (2003) formulated this framework, there has been a tendency in practice to
balance the functions, mixing elements of the two models. For example, laws were underway in Costa Rica and Colombia that aimed to connect the PPME system to the budgetary cycle in a more organic way. Chile has tried to consolidate the two systems such that they complement the other, as one emphasizes implementation of public policy goals while the other emphasizes the budgetary cycle (Zaltsman, 2006b). The trend to combine both approaches was underway even earlier in the case of Brazil (Cunill y Ospina, 2003).

Were the planning oriented systems to establish stronger links to the budget functions, and those with the budget oriented models link the public policy planning functions, they would gain institutional coherence. This balance would enhance the systems’ potential to become both managerial and political accountability tools so as to frame agency performance and policy implementation as both technical and political goals (Cunnill, Ospina & Zaltsman, 2007). We thus propose:

**Proposition 3:** The more integrated the system is internally through vertical integration of the micro-meso and macro levels, the more institutionalized

**Proposition 4:** The more integrated the system is transversally – with other public administration systems—the more institutionalized.

**Sustainable institutional infrastructure** - As Mackay (2006, 2007) argues based on several experiences he analyzed, a sustained effort of several years is required to ensure that a system of monitoring and evaluation will function efficiently. Time is needed to create information and data systems, to train and recruit personnel, to design and implement evaluations and monitoring systems, to disseminate the information, and so on. Therefore age itself might be an important consideration in a system’s institutionalization. This is particularly key in the public sector, where new incumbents may derail “half-baked” efforts championed by representatives of the previous regime. Aborted systems,
or those to which no further attention is given by those with authorities, will not be utilized, and therefore the demand-drive toward institutionalization will be lost. To avoid this, a legal framework with explicit laws and administrative orders that sanction the legitimacy of a PPME can help. While the Anglosaxon literature suggest that the use of legislation to motivate a performance culture may not be effective (Ingraham & Moynaham, 2003; Behn, 2005), this may not be the case in a region like Latin America, where many public administration systems have inherited the Napoleonic culture. In addition, demonstrated commitment through steady flow of public funding and stable staffing patterns for the system’s core administrative unit are also potentially useful.

Hence:

**Proposition 5**: Systems characterized by a sustainable institutional infrastructure will tend to be more institutionalized than systems characterized by more precarious institutional infrastructures.

The perceived quality of the information – A PPME system will not be utilized, and there won’t be demand for its output, if potential users do not trust the system (Toulemond, 1999; Moynihan, & Pandey, 2010; Moynihan et al. 2011), and in particular, the information that goes in and out, or if they do not have access or comprehend the information produced (Ospina, 2006; Zalstman, 2006a). Mackay (2006) suggests a correlation between the quality of the information and level of maturity of the system. Yet other factors might affect this level of trust, in particular, the rules of the system’s game, which ensure the flow of information, and some guarantee that the information flowing into and out of the system is credible and produced with objectivity.

Consistent with the knowledge utilization framework (de Lancer Julnes, 2009), with respect to credibility, observers of the systems mention elements like technical
capacity and institutional arrangements, quality of statistical information at the country level (i.e. existence of a credible Statistics Office) and in the data systems that feed the PPME system. In terms of objectivity, issues include institutional arrangements around the degree of centralization or decentralization of the information that serves as input, as well as who and where the actual information is processed (Zaltsman, 2006a, 2008, 2009). Data might be of low quality because those who produce them do not use them and thus don’t quite understand its value (MacKay, 2006); yet if those using data are asked to be part of the evaluation, as in the case of self-evaluations, the system may be viewed as complacent or subjective (Ospina, 2001). We thus propose:

**Proposition 6:** The more trust there is in the quality of the information that enters and leaves the system, the more it will be utilized, and thus the more institutionalized the system will be.

**Methods**

There are a range of tools, models and functions that comprise each example within the gamut of PPME systems across Latin America. Understanding this complexity requires a systematic study of multiple analytic factors across the cases. Indeed, the lack of a consensus in the region as to what constitutes a national PPME system, and even the very definition and differentiation of the concepts of “performance measurement”, “monitoring” and “evaluation” has heretofore been a limiting factor (Zall, Kusek and Rist, 2004). We devised a qualitative, comparative case study with the flexibility to capture PPME systems at the federal and/or central levels, and to encompass embryonic pockets of PPME implementation as well as robust and overlapping national systems.

**Research question, stages and data collection methods** - We ask to what degree have PPME been institutionalized in the public sector in Latin America and what factors have
affected such institutionalization. The study consisted of two stages. Stage one focused on individual cases and included: developing and validating the protocol; researching and writing the country case studies; sharing drafts and feedback among team members; and having the cases validated by relevant government officials. Stage two focused on comparative analysis, including: analyzing and classifying the systems; comparing them by sub-category; developing a comparative narrative; and validating the report.

Data collection methods for each case included analysis of primary and secondary documents (such as legislation, official system documents, internet pages, external studies or descriptions of the system, and so on), interviews with a representative sample of fifteen to twenty-five key actors per country, representing the widest possible variety of stakeholders, and using a common protocol for all cases, and one round of case validation with practitioners in the field. Local researchers with basic familiarity with the system were chosen to do the country-based field-work and write the case using the same protocol.

**Sample and units of analysis** - Our unit of analysis was the PPME system, not the country. We focused exclusively on systems that sought to implement a results oriented evaluation at the national level. The original sample included most systems that formally indicated having a system even if embryonic, except for countries where political turbulence precluded an objective collection of data. Starting with systems from fifteen countries, we dropped three cases from the sample because of data quality problems, and ended up with a total of 12 PPME systems in 10 countries. We also identified additional social-oriented country-wide systems that were not part of the original frame, but we did
not include them in the analysis. For location of the systems in a regional map see Figure 1 and for a list of the systems by country, see Table 1.

-Figure 1 and Table 1 about here-

**Data analysis** – The analysis of the data to construct the case studies was based on a combination of ethnographic and narrative approaches guided by the common protocol. The comparative analysis across cases required engaging in a qualitative exploration of the institutionalization factors outlined in the conceptual framework to each case and of the propositions to the cross-comparison. The findings reported below are provisional as most of the systems are in process of development. Yet they represent a first step at testing some of the findings of earlier empirical research in the region, and thus move beyond merely offering a descriptive narrative.

**Variable definition** - The dependent variable was the degree of institutionalization. Ideally, an index considering both stability and degree of information consumption could be used to rank-order systems by their degree of institutionalization. Incomplete data and a precarious understanding of the systems prevented from doing this at this stage of knowledge development. We classified the systems into three categories, institutionalized, less institutionalized and not institutionalized, considering qualitative information about stability and information consumption, defined as follows:

**Stability:** the system has survived Presidential transitions over time, without changing significantly its original purpose to satisfy regime changes. The systems are not being substantially redesigned at the time of the research.

**Information consumption:** The system’s output is demanded and its information consummed by key public stakeholders, in accordance to its purpose; furthermore, the assumption is that more key stakeholders use it, the more institutionalized is the system.
The independent variables were functional and instrumental diversification, Institutional coherence, Sustainable institutional infrastructure and the quality of the information.

To study functional and instrumental diversification, we analyzed the following dimensions in each system: the primary system functions, that is, what they claim their reason of being is, as formally stated and as enacted; the PPME’s level of action and impact, that is, whether the system produces information that will serve to assess broad public policy at the macro level, programs and policies at the sector (ministerial) or organizational levels, or expenses at the cost-unit micro level; the diversity and quality of the monitoring and evaluation instruments used to carry out its functions and its capacity to consolidate and/or diversify the instruments, and, hence, to deliver the primary system functions.

To study a system’s institutional coherence we analyzed its vertical and transversal integration rationality and consistency (Ospina 2001). Vertical coherence refers to the system’s capacity for reciprocal alignment between lower and higher jurisdictions, from supervisory units to agencies, to broader policy sectors. Transversal coherence refers to the PME system’s capacity for integration with other key processes like planning, budgeting, and human resources management.

Sustainable institutional infrastructure is a composite construct that includes information about factors that allow the systems to exist over time. To explore this variable we analyzed the quality and extent of a legal framework sustaining the PPME system, attributes associated with the financing of the system, and with its personnel (located in the office in charge of coordinating the system).
To study the quality of the information we analyzed the perceived credibility and objectivity assigned to the data by potential system’s users and administrators. We also explored other factors such as the mechanisms for dissemination and communication of the information produced, and the perception potential users had of the relevance of the information.

**Findings**

The findings are presented in three categories. There is first an overview of the systems and of their degree of institutionalization. This includes discussing the results associated to Proposition 1, about the functional orientation of the programs in the context of the country’s institutional context. This resulted in an analytical map of the systems that allowed us to see their nature in a comparative context. With this descriptive overview, we then turn to report the findings around Propositions, 2 through 6, about the factors affecting the institutionalization of the systems.

**Comparative overview of the systems and degree of institutionalization**

We expected a direct relationship between the systems’ functional orientation and the country’s institutional approach to resource allocation. As Proposition 1 implied, systems in countries driven by a national development plan were expected to be politically oriented and countries driven by a national budget process were expected to have economically oriented systems. The emerging picture however was much more complicated than expected.

Rather than two functional orientations – political or economic— the analysis yielded four distinct groups, as summarized in Table 2, including also a mixed orientation...
and a social orientation in some PME systems. While some systems in countries using the budget as a tool of allocation had a primarily economic orientation (as was the case of the Chilean systems), other countries with planning processes based on the National Development Plan (NDP) had a political orientation (as was the case with the Colombian system). But there was not a systematic pattern as expected. In fact, the political orientation was not limited to countries where the PME system was explicitly tied to the NDP, but crossed over into countries driven by the national budget, as was the case in Honduras, Uruguay and one of the Chilean systems (SPG).

Politically oriented PME systems seek to enhance the results of public policies through the use of PME. They are directly referenced to the results of implementing government planning and thus their primary function is to validate the integrity of the National Development Plan (NDP). These systems represent exercises in accountability within the state, for instance, agencies giving accounts to a national authority, cabinet officers to a President, or a President to Congress. They also aspire to offer accountability outside the state, from the government to civil society and the citizenry. Some of these systems had a multifunctional intent, that is, they aspired to both enhance political decision-making and rationalize budgetary allocation, which marks them despite their failure to realize it. This sub-category includes Costa Rica’s SINE, Colombia’s SINERGIA, and Nicaragua’s SINASID. A second sub-category, including Honduras and

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6 The systems associated with the social orientation were not originally included in the sampling frame and were not subsequently studied. They are presented here to offer a full view of the performance regime components in the region, and deserve further study.

7 While not reported in the analysis, we found limited mechanisms for communication and dissemination of the results of PME to the general public in all cases, which represents a lost opportunity for participation and control by the citizenry.
Uruguay’s systems, are not based upon a formalized national planning process but aim to introduce a planning capacity. Other systems espoused a single function, around a macro-strategic coordination role associated with Presidential goals. These include the SPG and the SMMP systems in Chile and Brazil respectively.

In contrast to the politically orientated, the economic oriented PME systems aim to rationalize public spending through appropriate allocation of human and financial resources. They tend to be integrally linked, if not rooted in, public budgetary and financial processes, giving less attention to broad public policies and strategic planning, to prioritize instead the cycles of budgetary management. This category can be further broken down into sub-categories according to the primary tool of allocation and functional goals. Chile, Peru, Argentina and Paraguay work around budgeting processes while Mexico has a planning process based on the NDP. The expectation was to locate SED in the political orientation row.

Economically oriented systems almost invariably are managed under the purview of the relevant economic ministries in their respective countries, and particularly their budgetary arms. They are all framed, with varied degrees of intensity, within the context of generating a culture of Results Oriented Budgeting (ROB) or transitioning from traditional models to Results-Based Budgeting, (RBB). RBB implies directly linking budgetary allocations to performance, where ROB utilizes performance data as an element in the budgetary allocation process. In either case, the temporal dimension is key, as these processes involve examining the past for at least one fiscal year, the present, and planning for the immediate future (Shack, 2007).8

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8 As one might expect, these PME systems are directly linked to other attempts to modernize the fiscal administration of the public sector, like the creation of an Integrated System of Financial Administration
The only case that clearly constitutes a system of mixed orientation (political and economic) is Brazil’s Pluriannual Plan. Nevertheless, given change processes toward convergence of the political and economic functions documented in the larger study for several systems in the region, it is highly probable that this type will increase over time. We did not explore or analyze the systems categorized as predominantly social, as these were deemed beyond the scope of our study.

Table 2 offers additional relevant descriptive insights. It suggests, for example, that there are vastly more political systems than economic, mixed or social ones and that most systems espouse a multi-functional vocation (often times not realized in practice). The absence of a clear pattern in this table served as the basis to realize the lack of comparability among the twelve systems. Therefore the location of a given system in a given column, row and cell determined the universe of comparison for that system. Our comparative analysis was thus done within each cell and then horizontally across cells within the same orientation.

**Degree of institutionalization**

Considering qualitative measures of stability and information consumption in each system, we classified them into two categories, more institutionalized and less institutionalized.

Figure 2 describes the timeline on which these varied systems were developed. Dark gray indicates years of experimentation before creating the formal system. It surfaces variations associated with the choice to create the full system at once or to grow (SIAF) and National System of Public Investment (SNIP), both of which are instruments that have become more common in the region since the 1980’s and 90’s.
it incrementally. In some instances the timing and consequent maturity of systems is critical to understanding differences in otherwise similar PME models.

Assuming an average of 4 years of presidential tenures, a conservative estimate would say that the system requires at least two changes of government to be considered minimally stable. The overall age (including experimentation period) and stability of the system (despite political changes) suggests that the most probably institutionalized systems would be the seven in the left side of the figure (from Chile to PPA Brasil). These represent the universe of institutionalized and/or less institutionalized. Among these, the systems in Costa Rica, Uruguay, and Mexico were being substantially redesigned at the time of data collection. The Costa Rican system illustrates how this represents evidence of instability. This is one of pioneer systems in the region, it has survived several presidential changes. However, during the interviews, it became apparent that the system had been changed significantly during the last administration in ways that were not consistent with its original intent of supporting public policy, and had lost its original legitimacy. At present time the system is being completely revamped to redirect it towards its original intent. Thus this system has not achieved the expected degree of legitimation and institutionalization.

To complement the diagnosis, the degree of consumption of the information generated by the system was studied, with particular interest in the group classified as probably institutionalized, and making comparisons among systems within cells. This analysis yielded confirmation that even mature systems offer fluctuations in the consumption of information in ways consistent with political changes. Comparisons
across similarly oriented systems yielded critical information to assess their institutionalization.

In predominantly political systems, the Colombian system showed consistent demand and use of information from the President and its ministers in the two consecutive administrations of the last president, who in turn had “inherited” from a previous administration of a different political party, suggesting a relative degree of institutionalization. This contrasts with Costa Rica as described above. In Uruguay, apart from the system being in redesign mode, the degree of consumption of the information from the system was reported to be minimal from its most important targeted actors, in particular Congress, because informers indicate that the data is hard to interpret and use. The two mono-functional systems, SMMP in Brazil and SPG in Chile are used mostly at the ministerial levels to monitor goals, but in the Brazilian case, in addition to being in redesign, there are reports of major gaps in its utilization.

In the predominantly economic systems, the Budget Office and Congress consistently demand and use the information from the Chilean system SCG, even though there are reported gaps with respect to the lack of connection to strategic planning. The information is not consistently consumed. For example, informants for Mexico’s SED report problems with the use of its excellent evaluations, among others, due to the complexity and level of aggregation in which they are reported.

Finally, within the mixed orientation, the PPA in Brazil, while still experiencing important utilization gaps, seems to be substantively used by the Ministry of Planning for strategic purposes such as comparing program results to goals as stated in the Pluri Anual Plan, adapt strategic decisions with respect to resource allocation and creation or closure
of programs, and generate commitment agendas among decision makers. Furthermore, financial and budget officials report some benefits from the information, which serves as additional input for their budget analysis and planning.

The combined analysis of data about stability and use of information from the system helped to classify the systems according to their degree of institutionalization as presented in Table 3.

- Table 3 about here -

Institutionalized systems include SCG and SPC in Chile, PPA in Brazil and Sinergia in Colombia; in the middle, less institutionalized system, but with some degree of institutionalization, are SMMP in Brazil, SINE in Costa Rica, PE-SEG in Uruguay and SED in Mexico. Finally, not institutionalized systems include SINASID in Nicaragua, SSEGP in Peru, MCE-SIPP in Paraguay and SGPR in Honduras. Considering this classification in the context of Table 2 and Figure 2, neither age nor pace of development nor degree of experimentation alone explain the level of institutionalization per se.

The degree of volatility of the systems, as well as the lag between data collection and original reporting (2007-2008) and writing (2011) requires to take this classification with much caution and consider it quite tentative and highly time sensitive. For example, most administrators, and in particular those in systems under redesign, were precisely looking to address many of the gaps reported here. This tentative classification is nevertheless a great heuristic to be able to study the factors affecting the institutionalization of the systems.

**Factors affecting institutionalization of the systems**

Below we report on the results of exploring propositions 2 through 6.
**Functional and instrumental diversification** - Indicators to explore Proposition 2 included the primary system stated and enacted functions, the level of action (micro or macro); the monitoring and evaluation instruments used to carry out its functions; and the capacity of the system to consolidate and/or diversify the instruments. While the majority of the PME systems manifested a multifunctional intent, only very few realized this in practice. Those that did seemed to have the highest degree of institutionalization. In the case of the SCG of Chile, the system’s primary champion possesses influence over the entire public sector, namely the powerful Ministry of Hacienda, which seems to have been key in solidifying its multifunctional vocation (Mackay 2006). The consequent diversification of the tools at the disposal of the Chilean system would seem to support this conclusion: the SCG works towards the efficient allocation of expenditure, but also improving the management of public programs and institutions.

Brazil’s PPA also manifests multifunctionality, which effectively supports the function of government planning and the evaluation of budgetary proposals, and recall, it is the only case of a mixed system combining a political and economic orientation. Other less institutionalized systems, like Mexico’s SED, or not institutionalized systems, like the SIERP in Honduras, were in the process of developing tools to manifest their multifunctional vocation, but these remained aspirations at the time of the study.

A second key finding reinforces the importance of tool diversification. Both monitoring and evaluation are used in the two institutionalized systems in Chile and Brazil, as well as in Colombia (since more recently) and Mexico (with a longer tradition, but not yet fully integrated into a broad system). It was not possible to delineate a similarly consistent trend among the less and not institutionalized systems. Some of the
other less institutionalized systems, like Uruguay’s PEG SEV, only use monitoring tools, while others like Costa Rica planned to include evaluation from its origins but have not been able to do so. Similarly, some not institutionalized systems, like those in Paraguay and Honduras plan to eventually introduce evaluation tools but only used monitoring at the time of the study, while in Nicaragua’s Sinasid only monitoring tools are used.

**Institutional coherence** - This factor refers to the system’s capacity for integration associated with the consistency of its logic, both internally, and within public administration as a whole. Our findings support the argument that higher levels of institutional coherence, both vertical and horizontal, tend to correspond to higher levels of utility, and as such to higher levels of institutionalization.

**Proposition 3** refers to vertical integration of the micro-meso and macro levels. This tells us information about how the roles and functions of the system are distributed and how the agenda for monitoring and evaluation is constructed and at what levels. We found that commonly identified goals and indicators lead to greater vertical coherence, something that is facilitated by systems with a political orientation, as in the case of the institutionalized systems in Colombia and SPG in Chile. But it is also the case in less institutionalized systems in Costa Rica and Uruguay, and in the not institutionalized system of Nicaragua. The same is true for the less institutionalized Presidential Goals monitoring system of Brazil.

That said, the macro level specialization of political systems acts against the likelihood of appropriation of the system by all its component agencies, and so the expected cascading effect of information down the line does not take place automatically. In fact, in Colombia, where great emphasis has been placed in ensuring the flow of
information downward, managers complain that the information is presented at a level of aggregation that is not useful for informing the types of decisions they must make. In the economic oriented systems, the case of institutionalized Chile’s SCG tends to do better in this regard. It is well known that there are strong relationships between the Budget Office staff and their counterparts in each ministry, which ensures some degree of vertical coordination. The evaluation cycle described in this case, from public agencies, to the Budget Office, to Congress, with a feedback loop to agencies, suggests a reciprocal flow of information that is promising.

In fact, this system illustrates the value of the flow of information in both directions, which ensures that the PPME products feed back into the managerial levels, and are expressed in commitments to improve public projects and organizations. However, some informants indicated that public managers do not participate in the determination of PPME priorities in this system nor in the definition of management indicators, which represents a weakness of an otherwise strong system. In contrast, the self-evaluation component of the mixed oriented, institutionalized Plurianual Plan in Brazil would seem to ensure even greater levels of appropriation by managerial levels, again showing an association between institutionalization and vertical coherence and integration.

Systems in the “less” and “not institutionalized” categories show lower degrees of vertical integration, with important variations that are consistent with the direction suggested by Proposition 3. These also seem to be associated with age. Recently created systems, like Mexico’s Sed, proposes in paper a series of coordination mechanisms, but informants say it is not clear how these will be implemented. It may be the case that these
new systems are learning from the pioneer systems how to attain high levels of integration at a faster pace, but the jury is still out.

With respect to the middle category, less institutionalized systems, cases like the Uruguayan system also report efforts to produce integration, despite the fact that the flow of information continues to be unidirectional. Nevertheless compared to other equivalent but not institutionalized systems, like Honduras’, Uruguay’s system exhibits important achievements in linking the system to broader strategic planning goals despite the lack of a National Development Plan. It also exhibits an explicit intention to create, through a new law, monitor and evaluation units in all ministries, responsible for generating better and consistent information to feed the PPMES system, and perhaps to be informed by it. 

**Proposition 4** refers to the role of transversal integration – with other public administration processes. This implies both coordination between the planning, budget and evaluation processes, and coordination with other public administration functions like personnel.

The findings around this proposition are mixed, and in fact, reflect the Achilles Tendon of the Latin American PPME systems. Even in the most institutionalized cases the emphasis on either the budget or the planning process but not on both. As discussed earlier, this is linked with the broader, historically based choice at the country level for one of two resource allocation models, one emphasizing planning and the other budgeting. Incentives within this institutional architecture are hard to change, and the PPME systems had to accommodate. The result has been that the systems tend to generate information that is not synchronized with the other stages of decision-making around the planning or the budget processes, reducing its changes to be actually consumed by its potential users.
While it is the case that the most institutionalized systems-- Chile’s SCG and Brazil’s PPA-- have achieved a good degree of temporal synchronization between planning and budgeting, there are consistent problems even in those cases. In Chile the information produced is well articulated to the various phases of the budgetary process, and yet informants report coordination problems associated with the absence of a broader strategic plan at the country level. Similarly, there are coordination problems between the two Chilean systems, which in part reflect the same problem. As a consequence, agencies must produce information in different formats and levels of aggregation to feed the economically oriented SCG system on the one hand, and the politically oriented SPG on the other.

Colombia also continues to experience problems with this lack of synchronization, despite recurrent efforts to create mechanisms and incentives to address the problem. At the core however, there is a structural impediment, as the system resides in the Planning Ministry, but budgeting authority resides in the Finance Ministry, and there is persistent rivalry among these powerful agencies, which has made it harder to clarify responsibilities, reduce overlaps and find common ground to produce change.

Younger, less institutionalized systems have learned from the challenges faced by pioneers in this respect, and their designs include corrective measures and mechanism to ensure the level of synchronization needed for transversal integration. For example, Mexico’s and Peru’s systems have been conceived precisely around the transition to a budgeting by results system to ensure good articulation between planning and budgeting processes. But this is only a promise, as observers do not see yet in the imminent system any evidence of greater coordination.
A curious case that deserves attention is Uruguay’s system, categorized as “less institutionalized”. It seems that this system has been able to achieve a sort of complementarity between budgeting and planning. Recall that this system is predominantly political, but operates under broader institutional arrangements driven by a budget model. While the system was originally budget driven, in 2005 it was infused with a political function that resulted in a possible better articulation between planning and budgeting activities, despite the lack of a National Plan and similar coordination problems between the Office of Planning and Budget and the Finance Ministry.

Similar problems are reported in most systems—institutionalized, less and not institutionalized—with respect to their capacity to articulate with human resource management and procurement processes. The creation of inter-sectoral commissions in Brazil, Colombia, Chile and Costa Rica suggest evidence of efforts for broader coordination around the PPME systems and are a step in the right direction. But these adhoc and temporary forms of coordination do not always offer fundamental solutions to the core problem. Another key issue in all systems, independent of institutionalization degree, is the poor linkages between PME systems and the national statistics offices. Finally, our analysis also showed the importance of coordination among international cooperation organizations to generate greater synergies between the various entities linked to PPME in each country.

**Sustainable institutional infrastructure - Proposition 5** explore the role of a sustainable institutional infrastructure on institutionalized. A comparative analysis of the laws sustaining the PPME system, it’s financing, and it’s personnel (considering both system orientation and comparing within cells) yielded few consistent patterns to

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9 Limited to the evaluation of programs in Chile
determine with any precision the real impact of legal framework, financing mechanisms and personnel status on the institutionalization of the systems.

With respect to legal framework, the systems emerge under a wide variety of legal configurations, with no particular common feature associated with institutionalization. For example, the institutionalized and older Colombian system emerges from a 1991 Constitutional mandate associated with its reform, reinforced over the years with multiple laws and administrative decrees. In contrast, the systems in Chile do not emerge from any specific laws or decrees, but emerge as a series of tools and instruments that are gradually articulated into the two systems. What seems more important is that these emerged within highly institutionalized and powerful units which serve broader functions than M&E, in the case of SPG, the powerful Office of Budget, in the case of SCG the Direction of Ministerial Coordination (DCM), closely linked to the Ministry of the Presidency. Overtime, the SPG has been strongly supported by a legal framework that gives increasing weigh to the M&E functions to justify resource allocation.

Less institutionalized systems like Sine in Costa Rica and SEV in Uruguay seem to emerge within the context of broader laws associated with public administration and public finance reform. But the former, which is older, is supported by a Presidential decree, while the later is not. Brazil’s SMMP was also created by way of a Presidential decree even though it is not so old.

With respect to personnel and finance, the infrastructures also vary considerably, relatively independent from degree of institutionalization. In the systems of Chile and Colombia, for instance, staff does not consist of permanent public employees. Instead
they are temporary consultants, and yet the systems are institutionalized. There is no clear personnel pattern across more or less institutionalized systems.

With respect to financing sources, it is the case that in both respective systems in Chile and Brazil, the most institutionalized within this study, the resources to finance the system are drawn from the national budget signaling formal commitment from the State. And yet, in others like Colombia’s, the entirety of the resources to finance the coordinating unit is drawn from external sources, particularly from the international cooperation. This is also the case in many of the less institutionalized systems like Uruguay’s and in several younger systems like Nicaragua. However, while this uncertainty may appear to make the systems more vulnerable to political changes, it has not precluded older systems (like those in Colombia and Uruguay) to survive several administrations. So the results are mixed.

The perceived quality of the information - Proposition 6 explores the role of the quality of the information that enters and leaves the system on institutionalization. This seems obvious, because these indicators are almost endemic to utilization, something to keep in mind in the context of a definition of institutionalization that has a demand-driven bias, where a key element is whether the information is consumed. Yet it was important to open the black box and understand the factors that affect the perceived quality and the ways in which this in turn, links to the persistence and legitimacy of the system. To do so we also identified the potential users of the information for each system, given its orientation and functional vocation. For reasons of space we will only report here on perceived quality.
The association between trust in data quality and degree of institutionalization in the systems was clear and in the expected direction. The institutionalized systems in Chile, Brazil and Colombia reported the highest expressions of confidence for the data that enters the system and for the information that emerges to offer insights about governmental activity. There were of course, many problems reported with the data in these systems, but there are, clear advances in the right direction, particularly compared to reports of total lack of confidence in less institutionalized and not institutionalized systems. Similarly, there were differences between the latter two groups that again, suggest a clear pattern in the expected direction.

The highest trust was expressed in the context of the SCG system in Chile, where the degree of maturity of the instruments and revised methodologies ensure a relatively high quality data, appreciation for the objectivity of the instruments and credibility in the information that produced. In contrast, equivalent younger economically oriented systems like Peru report very low credibility of the information produced. In the case of Peru, this is combined with the fact that the system covers only a very low proportion of the country’s public expenditures. In the middle between these two extremes we find Mexico’s Sed, where external evaluations for social problems enjoy high credibility and yet there is less trust for the administrative records of the agencies that feed the evaluations.

Expressions of high quality were also documented for the mixed economic and political PPA in Brasil, where methodological instruments and the credibility of the technical teams were reported to be reasons for trusting the information. In the case of the politically oriented systems, reports about information from Colombia’s Sinergia
indicated higher trust than those in equivalent less institutionalized and not-institutionalized systems. In particular, the credibility of the indicators used seems to have grown over time in the system, despite the fact that efforts to generate formal validation mechanisms – as those that exist in Chile and Brazil—have yet to be fully realized. This same problem is highlighted in the case of Costa Rica’s Sine, where trust is not as high, consistent with its location in the less institutionalized category. In the case of Uruguay, the key issue reported was the lack of coordination between the system and the national institute of statistics. Nevertheless the higher trust in Colombia and then Costa Rica and Uruguay, contrasts with reports in equivalent younger systems, like Nicaragua and Honduras. There, issues such as low capacity to design good and few indicators, low capacity of the technical units and a weak statistical system to offer trustworthy base line indicators are reported as bottle necks in the systems.

Of course the more institutionalized systems are not exempt of quality problems. In the case of Chile’s SCG interviewees who must send data to the systems reported the difficulties of processing the wide variety and high volume of information and the fact that often the requests from the various systems is inconsistent, where indicators for similar realities do not have the same periodicity or similar definitions. In PPA’s Brazil there is some distrust about the accuracy of the information generated in highly removed agencies given a very decentralized public administration system.

In general, the key factors reported for the low credibility of the information (both the indicators that serve as inputs to the systems, and the reports generated as outputs) included: the low quality of data submitted to coordinating entities; doubts about the government’s ability for self-evaluation; and the unilateral flow of information upwards
(in all but SCG in Chile and Plurianual Plan in Brazil). Lack of feedback for the providers of information creates a disincentive to take the process seriously in anticipation of receiving useful information down the line. We also documented what may be considered an interesting halo affect, where systems conducting evaluation and monitoring tend to have greater data credibility than those doing only monitoring. This might also be related to the higher technical capacity of the public sector of such countries (Chile, Brazil, Colombia and Mexico) compared to countries at the other extreme of the institutionalization continuum, where much lower technical capacities are reported (Honduras and Nicaragua).

Discussion and conclusions

The descriptive findings reported in Table 2 and Figure 2 provide evidence of the variety of PPME systems in Latin America and the complexity of their nature and development. They show that new systems have emerged that do not fit the original two orientations identified in the region’s systems—political and economic. This required adding two other categories, a mixed (political and economic) and a social orientation. These findings also suggest that comparisons across country must consider important contextual and institutional dimensions that greatly affect the reason of being and the system features. These findings also imply that it may be wiser to compare the systems within categories to avoid the mistake of perhaps mixing apples and oranges. Following this approach, below we discuss what the results say about the theoretical propositions driving this paper. While the correlations are not perfect, our comparative analysis yielded some interesting patterns that help to deepen our earlier theoretical understanding of both the nature of the systems and the factors affecting their institutionalization.
Proposition 1 suggested a direct relationship between the functional orientation of the PPME system and the country-wide institutional context around resource allocation (systems in countries driven by a national development plan will be politically oriented and systems in countries driven by a national budget process will be economically oriented). This proposition was partly rejected with the finding that two predominantly political PPMES systems have emerged in countries having a country-level budget model (Honduras and Uruguay) and one predominantly economic system operates within a country-level planning model (Mexico’s Sed).

However, it appears as if these combined logics have consequences worth noting, some positive and some negative. Our findings suggest that political systems operating under budget oriented allocation modes may have greater problems of vertical and transversal integration. In contrast, the economic oriented system operating in the context of a National Plan seems to be able to capitalize on the broader articulation that this Plan offers, to ensure (at least in the original blueprint) a better integration between country level budgeting and planning. The system however is too young for us to assess the extent to which this potential degree of transversal coherence will happen.

Problems reported in Honduras’ system illustrate the problem for political oriented systems operating under a budget oriented country allocation. In this country, national level planning is the literal sum of the plans elaborated in the planning units in each ministry, UPEGs (translated from Spanish into Units of Planning and Evaluation of Public Management), in a process from the bottom up. Goal definition, data collection and analysis take place at the sectoral level and the UPEGs in turn interface with the State Secretary in the Presidential Office. While goals are validated with the ministries, the
latter are not further engaged, which generates great heterogeneity in indicators. The information is articulated into the PPME system through an office called the Unit of Technical Support, which does not have any linkages to the Finance Ministry. Hence problems of institutional coherence plague the system.

Because of the specialized emphasis on budgeting and planning, the legitimacy of the PPME systems has tended to suffer when they promote a disconnect between these two important governmental functions. Since Cunill & Ospina (2003) formulated this framework, there has been a tendency in practice to balance these functions, mixing elements of the two models. This is particularly obvious in the younger and less institutionalized systems like Mexico and Peru, where the original design incorporates this intent. The jury is out on whether these more balanced approaches will take root. To the extent that these PPME systems move in the direction of convergence, the traditional belief supported by some scholars, that managerial and political accountability are mutually exclusive, would be refuted (Cunill, Ospina & Zaltsman, 2004).

With respect to Proposition 2—that the more functionally diverse the system and its tools, the more the demand for information, and thus, the more institutionalized the system—the findings suggest that in fact, functional diversity is an important factor, as the two most functionally diverse are indeed the two most institutionalized. Multifunctionality and diversification of tools also ensured that the systems would have practical value for a broader range of users. Our analysis found a certain correspondence between politically oriented systems and diversification of users. The aim of accountability, which characterizes such systems, transforms the citizenry into an object of express attention, as we clearly see stated in the SINERGIA system in Colombia, despite the lack of evidence
in achieving this goal. While more institutionalized than other systems, the two politically oriented, monofunctional systems in Chile and Brasil are less institutionalized than their multifunctional equivalents in the same country. Indeed, designed to help keep track of presidential goals at ministry levels, these systems serve a single targeted audience and have fewer potential users. If the key user is not interested, they become quite vulnerable and dependent of the executive and the political context in which they are embedded. Governmental stability and Presidential leadership and championship appear as key factors for the survival of these systems over time.

Findings tend to support proposition 3 that the more coherent the system is internally through vertical integration of the micro-meso and macro levels, the more institutionalized it will be. We also note that in general, and with respect to previous studies (Cunil & Ospina, 2004), there are interesting advances in the realm of vertical integration in the region. The key would appear to be the political decision in several countries to promote results-oriented public administration. Although no system truly attempts to monitor and evaluate the entire gamut from macro to micro levels, there are steps in this direction. In some cases this happens within the context of institutionalizing strategic planning in the public sector, and in other cases within the context of a national planning system as expressed through NDPs. We are, indeed, beginning to see stronger definition of objectives and goals and the measurement of execution in relation to these goals.

With respect to Proposition 4, that the more integrated the system is transversally – with other public administration systems—the more institutionalized the system is, the findings were inconclusive, but suggestive, with the more institutionalized systems
moving in the right direction, and newer systems creating early mechanisms to follow such path. We found considerable problems in the effective articulation between PPMES and other process of the public policy cycle as well as with the broader system of public administration. And yet the situation has improved compared to what we observed some years ago (Cunill and Ospina, 2003) but progress is slow.

Perhaps more awareness of the limitations of early systems has motivated efforts to better link planning and budgeting. Steps are being taken towards results oriented budgets, not only in Chile, Brazil, Mexico and Uruguay, but also in Peru, Honduras and Argentina, among others. This has been accompanied by a trend towards re-valuing the institutionalization of macro planning processes to achieve a greater government-wide coherence, critically in Peru and Uruguay. We also note efforts to have PPME systems provide information about physical and fiscal execution, denoting an effort at integration. There is also a clear trend towards achieving a link between planning, budgeting and PME around development projects. Notwithstanding these advances, inflexible budgetary processes constitute one of the greatest obstacles to achieving institutional coherence. Furthermore, systems coordinated by ministries other than Hacienda tend to experience severe problems in communicating with that ministry. There are also great difficulties in countries without institutionalized development plans.

Similarly, most systems—institutionalized, less and not institutionalized—report problems in their capacity to articulate with other PA processes like human resource management and procurement. A key issue, independent of institutionalization degree, is the poor linkages between PME systems and the national statistics offices. The relevance of this relationship seems to have been discovered late, even in the case of the pioneer
systems, and it seems as if the younger systems in countries with some technical capacity have learned the lesson and may work toward closing this gap faster. For example, the decision of Peru’s Ministry of the Economy (e.g., Finance Ministry) to establish a strategic alliance with the country’s Office of Statistics to generate information for the goals associated with budgeting by results could be considered a best practice.

The study of factors associated with Proposition 5 about the importance of a sustainable institutional infrastructure yielded inconsistent generally unfavorable results, given the variety of legal, financial and personnel configurations exhibited in the PPME systems. Of note is the fact that the two most institutionalized systems do allocate internal resources from the national budget for their financing, rather than from sources like international cooperation. This may be a potential factor for institutionalization, but this was not the case for all institutionalized systems, and in fact some non-institutionalized systems also shared this feature, so more research is needed.

If at all, it seems as if features such as emerging out of a Constitutional mandate or being strongly supported over time with laws and decrees is more associated with plain age. In fact, many of the newest systems emerge without the need of a legal mandate, in part because it is now agreed upon in the region that the systems represent not only best practices in public administration, but also needed governance and accountability mechanisms. Pioneer systems required legal support to be viewed with the legitimacy needed to survive overtime in an environment that was still unfavorable to the systems. Like with older siblings who open a path in families for younger siblings to take-for granted certain privileges, it seems as if the pioneer systems had to fight for establishing their legitimacy in ways that younger systems, entering an environment where
performance management and measurement are expected, do not have to. The latter have more legitimacy than the older ones had when they came into existence twenty years ago. That a less dense legal framework is associated with the younger systems may demonstrate isomorphism in action in the public sector (DiMaggio & Powell, 1991). As these authors suggest, institutionalization may be happening through mimetic and normative isomorphism (or a combination), that is, when organizations develop practices that resemble one another within the same field, either through imitation of well regarded practices in the face of uncertainty or in reference to values that assign a positive meaning to the practice, in this case, results oriented management and professional PPME systems (DiMaggio & Powell, 1991).

The study of factors associated with Proposition 6 about the perceived quality of the data yielded quite robust results, where clearly, trust was higher in the more institutionalized systems, and lower in the less institutionalized and finally quite problematic in the younger and not institutionalized systems. As Mackay points out (2006), there may be some correlation between the maturity of the PME system and the quality of its information. The PPME system associated with Brazil’s Plurianual Plan and Chile’s SCG, as well as Mexico’s external impact evaluations, would seem to support this thesis, being of greater age and having higher quality information. That said, the Costa Rican case demonstrates that maturity of the system is not a sufficient condition.

Exploring this proposition also helped to open more the black box to better understand qualitatively factors affecting the use of information, such as the perspective of the administrations in power, and the level of Presidential attention. The cases of the SINE in Costa Rica and SINERGIA in Colombia support this view. However, even in these cases,
the evidence is mixed, and nuanced by counterexamples, as the changing nature of the system in some administrations suggests.

Two other factors are worth noting. First, greater usage of information may be also associated with an obligation to link corrective measures to PPME reports of evaluations, as documented in Mexico and Chile in this study and as previously explored in Chile by Zaltsman (2008, 2009). Second, it seems as if the presence of another fixed consumer, such as the donor community in Nicaragua and Honduras, may also generate greater usage of the PPME information that it would have otherwise, given strong accountability requirements around the use of resources. Finally, it is possible that PPME information is being assimilated and used over the longer term in ways we have not captured in our study. Zaltsman (2009) notes the need to differentiate between diverse types of utilization in these systems. Certainly the case studies do document uses of the information to legitimize decisions taken *a priori*, as well as a high level of conceptual appropriation with regards to results based management and to the need to manage the execution of plans and projects by public administration actors.

Be that as it may, it is clear that there is room for more work in this area, which seems to be of great interest in the Anglo-Saxon context (Moynihan & S Pandey, 2010). In fact, there is a large literature on utilization of data within performance management systems in the public sector in the context of developed economies, particularly the US. In general findings tend to focus on its antecedents (DeLancer Julnes & Holzer, 2001; Moynihan and Pandey, 2010). The Latin American region represent fertile ground to explore the utilization problem (Zaltsman, 2009) and more specifically the role it may play in the institutionalization of the systems.
FIGURES AND TABLES

Figure 1. Country location of the studied systems

Figure 2: Evolution of the Systems (source: authors’ elaboration)
Table 1: System by country

<table>
<thead>
<tr>
<th>Country</th>
<th>PPME System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>Sistema de Monitoreo y Evaluación del Plan Plurianual (PPA)</td>
</tr>
<tr>
<td></td>
<td>Sistema de Evaluación de Metas Presidenciales (SMMP)</td>
</tr>
<tr>
<td>Chile</td>
<td>Sistema de Control de Gestión y Presupuesto por Resultados (SCG)</td>
</tr>
<tr>
<td></td>
<td>Sistema de Seguimiento de la Programación Gubernamental (SPG)</td>
</tr>
<tr>
<td>Colombia</td>
<td>Sistema Nacional de Evaluación de Resultados de la Gestión Pública (SINERGIA)</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Sistema Nacional de Evaluación (SINE)</td>
</tr>
<tr>
<td>Honduras</td>
<td>Sistema de Gerencia por Resultados (SGPR)</td>
</tr>
<tr>
<td>Mexico</td>
<td>Sistema de Evaluación al Desempeño (SED)</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Sistema Nacional de Seguimiento a Indicadores de Desarrollo (SINASID)</td>
</tr>
<tr>
<td>Paraguay</td>
<td>Sistema Integrado de Programacion Presupuestaria (MCE-SIPP)</td>
</tr>
<tr>
<td>Peru</td>
<td>Sistema de Seguimiento y Evaluación del Gasto Público (SSEGP)</td>
</tr>
<tr>
<td>Uruguay</td>
<td>Sistema de Evaluación de la Gestión Pública (PEG-SEG)</td>
</tr>
</tbody>
</table>
Table 2: Analytical Map of PME Systems (source: authors’ elaboration)

<table>
<thead>
<tr>
<th>System’s General Orientation</th>
<th>Context of Spending Allocations (at the Country Level)</th>
<th>Functional Vocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predominantly Political</td>
<td>National Development Plan</td>
<td>Multifunctional</td>
</tr>
<tr>
<td></td>
<td>National Budget</td>
<td>Monofunctional</td>
</tr>
<tr>
<td></td>
<td>Functional Vocation</td>
<td>Multifunctional</td>
</tr>
<tr>
<td></td>
<td>Functional Vocation</td>
<td>Monofunctional</td>
</tr>
<tr>
<td>Predominantly Political</td>
<td>SINASID Nicaragua</td>
<td>• SMNP Brasil</td>
</tr>
<tr>
<td></td>
<td>SINE Costa Rica</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SINERGIA Colombia</td>
<td></td>
</tr>
<tr>
<td>Predominantly Economic</td>
<td>SED México</td>
<td>• SCG Chile</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• SSEGP Perú</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• SSEGP Argentina</td>
</tr>
<tr>
<td>Explicitly Economic and Political (Mixed)</td>
<td>PPA Brasil</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SE del PND Bolivia (7)</td>
<td></td>
</tr>
<tr>
<td>Predominantly Social</td>
<td>SSEPPS Brasil</td>
<td>• MIDEPLAN Chile</td>
</tr>
<tr>
<td></td>
<td>Programas Sociales México</td>
<td>• SIEMPRE Argentina</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Institutionalized</th>
<th>Less Institutionalized</th>
<th>Not Institutionalized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sistema de Control de Gestión y Presupuesto por Resultados (SCG), Chile <em>Created in 1993 Formally established in 2000</em></td>
<td>Sistema de Evaluación de Metas Presidenciales (SMMP), Brazil <em>Created in 2001</em></td>
<td>Sistema Nacional de Seguimiento a Indicadores de Desarrollo (SINASID), Nicaragua <em>Created in 2001</em></td>
</tr>
<tr>
<td>Sistema de Monitoreo y Evaluación del Plan Plurianual (PPA), Brazil <em>Created in 1991 Formally established in 2004</em></td>
<td>Sistema Nacional de Evaluación (SINE), Costa Rica <em>Created in 1992 Formally established in 1994</em></td>
<td>Sistema de Seguimiento y Evaluación del Gasto Público (SSEG), Peru <em>Created in 2003 Formally established in 2006</em></td>
</tr>
<tr>
<td>Sistema Nacional de Evaluación de Resultados de la Gestión Pública (SINERGIA), Colombia <em>Created in 1991 Formally established in 1994</em></td>
<td>Sistema de Evaluación de la Gestión Pública (PEG-SEG), Uruguay <em>Created in 1995 Formally established in 1999</em></td>
<td>Sistema de Programación Presupuestaria (MCE-SIPP), Paraguay <em>Created in 2003 Formally established in 2006</em></td>
</tr>
<tr>
<td>Sistema de Seguimiento de la Programación Gubernamental (SPG), Chile <em>Created in 1991 Formally established in 2000</em></td>
<td>Sistema de Evaluación al Desempeño (SED), Mexico <em>Created in 1994 Formally established in 2006</em></td>
<td>Sistema de Gerencia por Resultados (SGPR), Honduras <em>Created in 2000 Formally established in 2006</em></td>
</tr>
</tbody>
</table>
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