Transformational Change Guidance

Guidance for assessing the transformational impacts of policies and actions

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How to interpret results to facilitate learning and decision making

12. Learning, Decision Making and Interpreting Results

Interpreting the assessment results is important for learning and decision making to promote transformational change for climate and sustainable development goals. This chapter provides guidance on how to understand assessment results and apply insights gained at different stages of planning and implementation in the policy and action cycle.

Checklist of key recommendations

- Describe insights gained from the assessment, and how results are used to revise objectives, design, planning, and implementation of ongoing or future policies and actions.

12.1 Understanding assessment results

Learning from results is an integral part of an assessment exercise. It is important that users understand the benefits as well as the limitations of transformational change assessment to make the best use of the results.

The assessment that has been described here is to a large extent qualitative and based on expert judgment. This is not a shortcoming but a simple reality to be kept in mind. It does mean, however, that the assessment is limited by the extent of human knowledge about complex inter-acting systems and their processes. Users should seek to be realistic about these types of predictions and not be deterred by the fact that the outcome may not be exactly what had been expected. It is better to be approximately right than exactly wrong.

Ex-ante assessment for transformational change, in particular, involves high uncertainty given the unpredictable nature of how complex systems evolve over long-term. Uncertainty increases when the objective is to seek a deviation from established pathways. This rules out the use of established methods of predicting future development based on past experiences of trends and drivers. Ascertaining what triggers this deviation and what magnitude of change can be expected is highly speculative. This is one reason why this guidance focuses on the transparency of reporting of assumptions and choices made.
There is a lot of flexibility provided at each step in applying the assessment framework, as the guidance is applicable for a wide variety of policies and actions. Different choices made during the assessment, however, limit the comparability of results between different assessments.

Despite these limitations, the assessment results can greatly aid in prioritising policies, modifying existing interventions to enhance their transformational potential, and shortlisting actions for financial support. Depending on the objective of the assessment, users will want to look deeper at different aspects of the results of the assessment described within this guidance. Also, depending on the case, disaggregated and singular results (for example, the assessment of high upfront investment costs as a barrier to achieving impact on the entrepreneurs characteristic) can be more helpful than aggregated and numerical results (for example, a numerical score at the category level stating that the expected impact of the policy for technology change is ‘3’).

12.2 How to apply results

As outlined above, the assessment of transformational impact is not an exact science but a learning exercise that can provide valuable insights and support decision making. How to use which type of results from the assessment (e.g., at a more or less aggregate level) depends strongly on two factors:

- The objective of the assessment
- The status of the policy or action in the implementation cycle

It is a key recommendation to describe insights gained from the assessment, and how results are used to revise objectives, design, planning and implementation of ongoing or future policies and actions.

The assessment will either be carried out by the entity (or entities) that is also planning and implementing the policy or action (or commissioned by this entity), or by an independent user not responsible for policy implementation. Independent users could for example be research organisations, private consultants or civil society groups. The objectives of assessing a policy or action at the various stages of implementation may differ between these two groups. The usefulness of more or less aggregate results for independent assessments will strongly depend on the objective of the assessment. In the following we therefore concentrate on the usefulness of results for those entities planning and implementing the assessed measures.

Figure 12.1 illustrates when aggregated results (e.g., at category level) versus disaggregated results (e.g., at characteristic level) are useful to consider in the policy implementation cycle. Refer to Chapter 6, Figure 6.2 for an illustration of the levels (characteristic, category and type) for assessment of transformational impact.
Support prioritisation and inform policy design options

An aggregated result describes the extent of transformation expected or achieved by the policy or action as well as how likely it is that the impact can be achieved. This enables comparison and prioritisation of policy options early in the implementation cycle. However, users should exercise great caution in comparing results, and ensure that the methodology applied and choices made to assess various policies do not render the results incomparable. Further, transformational change assessment is likely to be one among many factors (such as resources needed, effects on stakeholders, sustainable development benefits) considered in decision making.

Disaggregated results are more useful to support the design of policies and actions. The greater level of detail can indicate areas of weaknesses and whether barriers are adequately addressed in policy design.
Support funding requests to attract finance

Both aggregated and disaggregated results can support funding requests to potential donors and make the case for the proposed intervention. It is important to note, however, that individual donor organisations may have a different definitions and criteria for transformational change from the one used in this guidance document. At the same time, there is sufficient flexibility in the guidance to enable users to utilise the results for various purposes.

Steer implementation and inform future policies

Detailed results from assessment conducted during implementation help to understand if the policy or action is on track, allow for course modifications as needed, instead of ending potentially transformative policies too soon and address new barriers or those that may have been overlooked in the design stage. Disaggregated level information from ex-post assessment can also inform the design of future policies and actions, including informing updates of NDCs or long-term strategies and plans by providing valuable insights on what worked and reasons for not achieving the desired impact. Ex-post assessment can thus contribute significantly towards future planning.