



Department of Performance Monitoring and Evaluation

Report on the Assessment of Government Evaluations

Information Sharing and SMME Financing in South Africa: A Survey of the Landscape

Date Evaluation was completed: August 2008

Name of assessor: Stephen Rule

Evaluation Number: 107

Date Assessment Completed: 21st February 2013

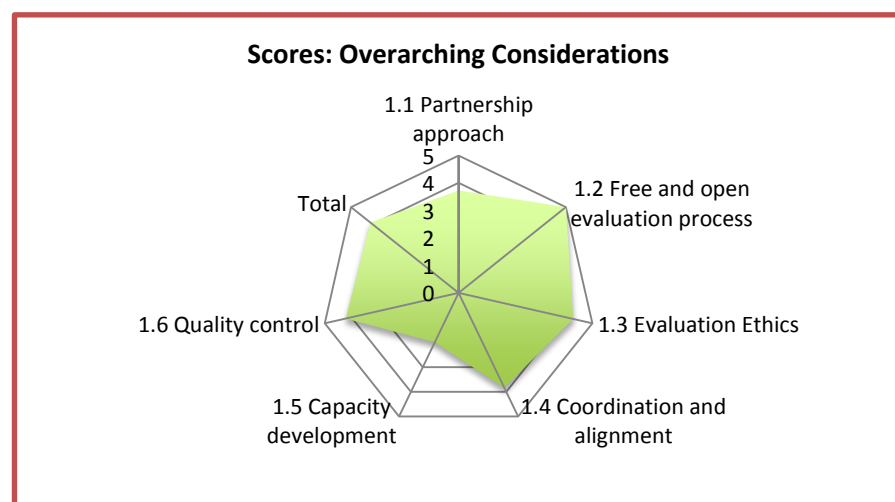
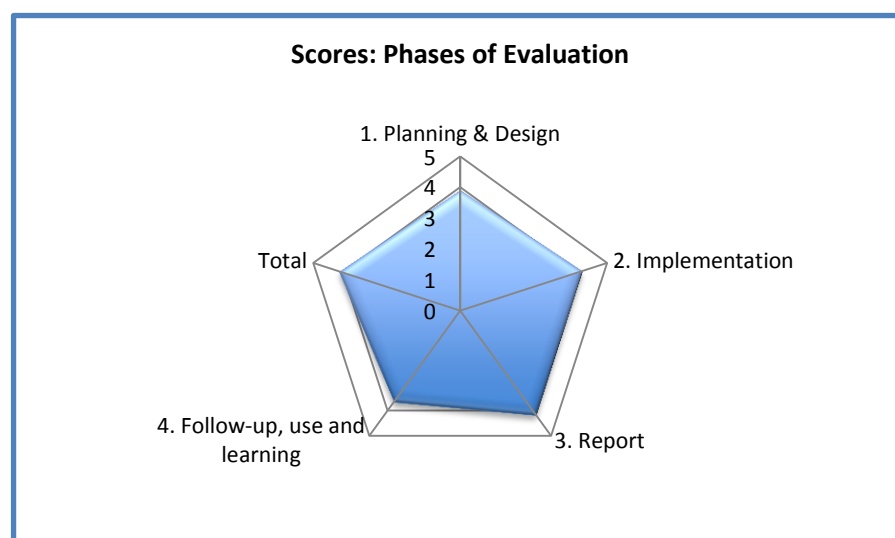
Evaluation Assessment Details

Title of evaluation report	Information Sharing and SMME Financing in South Africa: A Survey of the Landscape
Completion Date of Evaluation	August 2008
Name of Assessor	Stephen Rule
Evaluation Number	107
Completion Date of Assessment	21st February 2013
Initiated by	National Credit Regulator
Evaluation undertaken by	Political and Economic Research Council
Evaluation area / sector	Trade, industry, enterprises
	Additional
National Outcome	Outcome 4
	Additional
Type of Evaluation	Diagnostic
	Additional
What is being evaluated	Extent of SMME credit information sharing in SA
	Additional
Geographic Scope	National
Period of Evaluation	Unknown
Known Cost of Evaluation	US\$88,000

Quality Assessment Scores

Phase of Evaluation	Score
Planning & Design	3.90
Implementation	4.15
Report	4.16
Follow-up, use and learning	3.64
Total	4.08

Overarching Consideration	Score
Partnership approach	3.73
Free and open evaluation process	5.00
Evaluation Ethics	4.28
Coordination and alignment	3.83
Capacity Development	2.00
Quality control	4.22



1. Planning & Design

1.1. Clarity of Purpose and Scope in TOR

STANDARD: *The evaluation was guided by a TOR with at least the following sections explicit: purpose, scope and objectives; expectations regarding design and methodology; resources and time allocated; reporting requirements; expectations regarding evaluation process and products.*

Comment and Analysis

The TOR appeared to have been clear in respect of the purpose, scope, objectives and expectations of the study.

Rating 4

STANDARD: *The purpose of the evaluation was clear and explicit in the TOR*

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: *The evaluation questions were clearly stated in the TOR and appropriate to addressing the evaluation purpose*

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: The approach and type of evaluation was suited to the purpose and scope of the evaluation TOR**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: Intended users and their information needs were identified in the TOR**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: Key stakeholders were involved in the scoping of the TOR and determining the purpose of the evaluation**Comment and Analysis**

Not applicable.

Rating N/A

1.2. Evaluation was adequately resourced

STANDARD: The evaluation was adequately resourced in terms of time allocated

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: The evaluation was adequately resourced in terms of original budget

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: The evaluation was adequately resourced in terms of staffing and skills sets

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: *Where appropriate, the evaluation planned to incorporate an element of capacity building of partners/staff responsible for the evaluand*

Comment and Analysis

Not applicable.

Rating N/A

1.3. Alignment to Policy Context and Background Literature

STANDARD: *There was evidence that a review of the relevant policy and programme environments had been conducted and used in the planning of the evaluation by the evaluators*

Comment and Analysis

There was evidence that the NCR reviewed the credit policy environment in the planning of the evaluation.

Rating 3

STANDARD: *There was evidence of a review of appropriate literature having been conducted and used in the planning of the evaluation by the evaluators*

Comment and Analysis

Previous research commissioned by the NCR constituted evidence that the NCR was conversant with at least some of the relevant literature when planning the evaluation.

Rating 4

1.4. The evaluation methods planned were appropriate to the project

STANDARD: There was explicit reference to the intervention logic or the theory of change of the evaluand in the planning of the evaluation

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: Key stakeholders were consulted on the design and methodology of the evaluation

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: The planned methodology was appropriate to the questions being asked

Comment and Analysis

The planned methodology, comprising a literature review and interviews with key stakeholders, was appropriate as a means of gathering responses to the evaluation questions.

Rating 4

STANDARD: Planned sampling was appropriate and adequate given the focus and purpose of evaluation***Comment and Analysis***

The planned sample of interviews turned out to be appropriate and adequate to interrogate the credit environment for SMMEs.

Rating 4

STANDARD: There was a planned process for using the findings of the evaluation prior to undertaking the evaluation***Comment and Analysis***

The NCR is mandated to conduct regular research into aspects of the credit industry and environment and to implement the emergent recommendations. There is no evidence to suggest that this was not done.

Rating 4

1.5. Inception phase***STANDARD: The inception phase was used to develop a common agreement on how the evaluation would be implemented******Comment and Analysis***

Not applicable.

Rating N/A

2. Implementation

2.1. Ethical Review and Considerations

STANDARD: *Where data was gathered in contexts where ethical sensitivity is high, appropriate clearance was obtained through an ethics review board; e.g. in evaluation involving minors, institutions where access usually requires ethical or bureaucratic clearance, and situations where assurances of confidentiality was offered to participants*

Comment and Analysis

Ethical sensitivity was not high in the case of the data gathered in this study. Nevertheless, PERC indicated that participants involved in the evaluation were protected and that proper ethical standards and practices were applied.

Rating 5

2.2. Evaluator independence

STANDARD: *Where external, evaluation team was able to work freely without significant interference*

Comment and Analysis

PERC indicated that the evaluation team was granted sufficient independence in their work on the project.

Rating 5

STANDARD: The evaluation team was impartial and there was no evidence of conflict of interest***Comment and Analysis***

No evidence of a conflict of interest was discernible on the part of the evaluation team at PERC.

Rating 5

2.3. Key stakeholder involvement***STANDARD: Key stakeholders were consulted through a formalised mechanism or institutional arrangement during the evaluation******Comment and Analysis***

A total of 25 key stakeholders in the credit environment were interviewed formally during the course of the evaluation. Conversations were held with a further 18 similar individuals.

Rating 5

STANDARD: Where appropriate, an element of capacity building of partners responsible for the evaluand was incorporated into the evaluation***Comment and Analysis***

No evidence of capacity building during the evaluation was discernible, except that the report provided such a wealth of information to the NCR, thereby enhancing their institutional capacity.

Rating 2

2.4. Methodology

STANDARD: The methods employed in the process of the evaluation were consistent with those planned

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: Data collection was not compromised by fieldwork-level problems or unplanned diversions from original intentions

Comment and Analysis

Fieldwork problems appear not to have been a feature of this study.

Rating 4

STANDARD: Forms of data gathering were appropriate given the scope of evaluation

Comment and Analysis

The formal and informal interviews and an extensive analysis of the local and international literature on the topic were appropriate forms of data collection for the study.

Rating 4

STANDARD: The data analysis approach and methods were appropriate and sufficient given the purposes of the evaluation

Comment and Analysis

The qualitative meta-evaluation of various other studies, integrated with the newly gathered primary data were appropriately analysed for the purposes of the evaluation. PERC is of the view, however, that time constraints precluded a more comprehensive analysis and closer examination of collateral and secured transaction registries internationally.

Rating 3

STANDARD: Key stakeholders were significantly engaged as part of the methodology

Comment and Analysis

Key stakeholders in the credit industry played a major role in the study by virtue of their having been interviewed about their perceptions and experiences in the sector.

Rating 5

STANDARD: The methodology included engaging beneficiaries appropriately as a key source of data and information

Comment and Analysis

Beneficiaries in the form of borrowers were not directly engaged in this study, but extensive use was made of previous empirical research in which borrowers were engaged. On the other hand credit providers, also beneficiaries of the sector, were extensively engaged.

Rating 4

2.5. Project management

STANDARD: The evaluation was conducted without shifts to scheduled project milestones and timeframes

Comment and Analysis

Not applicable.

Rating N/A

3. Report

3.1. Report was well-structured and presentation was clear and complete in each of these areas

STANDARD: Executive summary captured key components of the report appropriately

Comment and Analysis

A brief executive summary and a separate summary of key findings captured the broad essence of the report.

Rating 4

STANDARD: The context of the development intervention was explicit and presented as relevant to the evaluation

Comment and Analysis

The relatively low access to formal credit was discussed in depth as part of the study.

Rating 4

STANDARD: There was a clear rationale for the evaluation questions**Comment and Analysis**

The rationale for the evaluation questions, namely to determine the nature, extent and impact of credit information sharing in the SMME sector, was clear.

Rating 5

STANDARD: The scope or focus of the evaluation was apparent in the report**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: A detailed methodology was outlined in the relevant section of a report (full report or 1/3/25) to the point that a reader could understand the data collection, analysis and interpretation**Comment and Analysis**

The methodology was clearly and explicitly outlined.

Rating 4

STANDARD: Key findings were presented in a clear way; they were made distinct from uncertain or speculative findings; and unused data was not presented in the body of the report

Comment and Analysis

The key findings were clearly outlined, with speculative inferences being appropriately phrased.

Rating 5

STANDARD: Conclusions and recommendations were clear and succinctly articulated

Comment and Analysis

The conclusions and recommendations were clear and succinct.

Rating 4

STANDARD: Acknowledgement of limitations of all aspects of the methodology and findings were clearly and succinctly articulated

Comment and Analysis

The limitations mentioned in the study pertained to the nature of credit data in SA, such as the non-differentiation of personal consumer loans in terms of intended use for personal versus business purposes.

Rating 3

3.2. Writing and presentation

STANDARD: *Quality of writing and presentation was adequate for publication including: adequate layout and consistent formatting; complete sentences and no widespread grammatical or typographical errors; consistency of style and writing conventions (e.g. tense, perspective (first person, third person); levels of formality; references complete and consistent with cited references in reference list and vice versa; etc)*

Comment and Analysis

The quality of the report was high in respect of writing style, data presentation, referencing and grammatical correctness. It was more than adequate for publication.

Rating 5

STANDARD: *Appropriate conventions were used in presentation of data (e.g. use of appropriate statistical language; reporting of p-values where appropriate; not reporting statistically insignificant findings as significant; clarifying disaggregation categories in constructing percentages; not using quantitative language in reporting qualitative data, etc.)*

Comment and Analysis

Data was presented and discussed in an accessible style and appropriate language was utilised in respect of the different types of data.

Rating 5

3.3. Presentation of findings

STANDARD: *The use of figures and tables was such that it supported communication and comprehension of results; and data reported in figures and tables was readily discernible and useful to a reader familiar with data presentation conventions*

Comment and Analysis

Eight tables (one without numbering) and five figures formed key components of the report, around which much of the analysis and discussion was focussed.

Rating 5

STANDARD: Data analysis appeared to have been well executed

Comment and Analysis

The data analysis was simply and clearly executed.

Rating 4

STANDARD: Findings were supported by available evidence

Comment and Analysis

The available evidence formed the basis of the findings of the study.

Rating 5

STANDARD: The evidence gathered was sufficiently and appropriately analysed to support the argument**Comment and Analysis**

The primary and secondary evidence collected was sufficiently and appropriately analysed to support the arguments presented.

Rating 4

STANDARD: There was appropriate recognition of the possibility of alternative interpretations**Comment and Analysis**

The study assisted in the identification of the unintended or perverse consequences associated with different policy options.

Rating 4

STANDARD: The report appeared free of significant methodological and analytic flaws**Comment and Analysis**

Methodological or analytical flaws were not apparent in the report.

Rating 5

3.4. Conclusions

STANDARD: Conclusions were derived from evidence

Comment and Analysis

The conclusions were reached and the recommendations were made on the basis of the evidence collected.

Rating 5

STANDARD: Conclusions took into account relevant empirical and/or analytic work from related research studies and evaluations

Comment and Analysis

Extensive reference was made to relevant literature and this was factored into the conclusions.

Rating 4

STANDARD: Conclusions addressed the original evaluation purpose and questions

Comment and Analysis

The conclusions effectively addressed the purpose and questions of the evaluation.

Rating 4

STANDARD: Conclusions were drawn with explicit reference to the intervention logic or theory of change**Comment and Analysis**

Not applicable.

Rating N/A

3.5. Recommendations***STANDARD: Recommendations were made in consultation with appropriate sectoral partners or experts*****Comment and Analysis**

The recommendations were made by PERC with inputs from the NCR.

Rating 3

STANDARD: Recommendations were shaped following input or review by relevant government officials and other relevant stakeholders**Comment and Analysis**

Stakeholders were not directly involved in the formulation of the recommendations, but were consulted during the research phase of the evaluation.

Rating 3

STANDARD: Recommendations were relevant to the policy context**Comment and Analysis**

The recommendations were highly relevant to the developing context of the South African economy.

Rating 4

STANDARD: Recommendations were targetted to a specific audience sufficiently - were specific, feasible, affordable and acceptable**Comment and Analysis**

The recommendations were targetted at the NCR, the mandate of which includes monitoring the implementation of the National Credit Act and determining the need for ameliorative modifications to the legislation and practice in the economy.

Rating 4

3.6. Relevant limitations of the evaluation have been noted**STANDARD: Relevant limitations of the evaluation were noted****Comment and Analysis**

PERC highlighted an important limitation as being the paucity of South African research data, which they ascribed to the relatively recent start to experiments and piloting of SMME lending programmes.

Rating 3

3.7 Protection of participants and risk considerations

STANDARD: *The full report documented procedures intended to ensure confidentiality and to secure informed consent where this was needed (in some cases this is not needed - e.g. evaluation synthesis - in which case N/A should be recorded)*

Comment and Analysis

Procedures to ensure confidentiality and ensure informed consent were not included in the report, although the PERC indicated that such procedures were followed.

Rating 3

STANDARD: *There were no risks to participants in disseminating the original report on a public website*

Comment and Analysis

Participants in the study appear not to have been exposed to risk in the dissemination of the report on a public website. Analysis of the interviews and conversations quote the participants on professional financial and credit-related matters, which appear not to be of any personal relevance to the interviewees.

Rating 4

STANDARD: *There were no unfair risks to institutions in disseminating the original report on a public website*

Comment and Analysis

Representatives of a wide range of institutions were interviewed and thus risks of revelation of proprietary information was evenly spread. None of this appears to be unfair under the circumstances.

Rating 4

4. Follow-up, use and learning

4.1. Presentation to stakeholders

STANDARD: *Results were presented to all relevant stakeholders*

Comment and Analysis

The results were made publicly available to all stakeholders with an interest in accessing the results of the study.

Rating 3

4.2. Resource utilisation

STANDARD: *The evaluation was completed within the planned timeframes*

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: *The evaluation was completed within the agreed budget*

Comment and Analysis

Not applicable.

Rating N/A

4.3. Transparency

STANDARD: *The report was publicly available (website or otherwise published document), except where there were legitimate security concerns*

Comment and Analysis

The report was down-loadable from the website <http://perc.net/files/downloads/South-Africa-compressed-web.pdf>

Rating 5

4.4. Lessons learnt

STANDARD: *After completion of the evaluation, a reflective process was undertaken by staff responsible for the evaluand to reflect on what could be done to strengthen future evaluations*

Comment and Analysis

It could not be determined if a post-evaluative reflective process had occurred.

Rating 3

4.5. Symbolic and conceptual value

STANDARD: *The evaluation study was seen by interviewed stakeholders as having added significant symbolic value to the policy or programme (eg raised its profile)*

Comment and Analysis

The interviewed stakeholders indicated that the study had added value to their programme.

Rating 4

STANDARD: The evaluation study was of conceptual value in understanding what has happened and possibly in shaping policy and practice

Comment and Analysis

The study was of high conceptual value in understanding the SMME credit environment and in shaping potential changes in policy and practice. The recommendations were explicit and implementable.

Rating 5

4.6. Utilisation of findings and recommendations

STANDARD: There was clear evidence of instrumental use - that the recommendations of the evaluation were implemented to a significant extent

Comment and Analysis

The regular commissioning of research by the NCR suggested that results and recommendations generated thereby were factored into legislation and market practices.

Rating 3

STANDARD: There was clear evidence that the evaluation has had a positive influence on the evaluand, its stakeholders and beneficiaries over the medium to long term

Comment and Analysis

The evaluation of the SMME credit environment was comprehensive and appeared to have had a positive impact on the operations and impact of the NCR. In respect of stakeholders and beneficiaries, this was not discernible.

Rating 3

References

Political & Economic Research Council. August 2008. Information Sharing and SMME Financing in South Africa: A Survey of the Landscape.

Republic of South Africa. 2005. National Credit Act.

Barron, J.M. & Staten, M. , 2003. The value of comprehensive credit reports: Lessons from the US experience. In Credit Reporting Systems & the International Economy.

Miller, M.M., 2003. Credit Reporting Systems around the Globe. In Credit Reporting Systems & the International Economy. Edited by M.M. Miller. Cambridge, MIT Press, pp.

Djankov, S., McLiesh, C. & Schleifer, A., 2005. Private Credit in 129 countries. Working Paper no. 11078, Cambridge, National Bureau of Economic Research.

List of Interviewees

Lebogang Selibi, Media Relations Officer: National Credit Regulator. Telephonic interview. 20 February 2013.

Partick Walker, Director of Research: Political & Economic Research Council, Durham, North Carolina USA. Email response to interview questions, 20 February 2013.