



## Strengthening supplier engagement for evaluations: A market study of suppliers and UNICEF peers

**H**ow can UNICEF grow the number and quality of suppliers bidding on evaluations? UNICEF's Evaluation Office (EO) commissioned a comprehensive study of the marketplace for evaluation services. The aim of this study was to identify how UNICEF could better attract, select, and retain high-quality evaluation service providers. The study took into consideration UNICEF's current practices around evaluation vendor selection, the 'leading' practices of other international institutions and the perspectives of a wide range of evaluation service providers. Interviews and web-based surveys with these organizations led to a series of market observations and considerations for UNICEF.

To support accountability, decision-making and organizational learning, UNICEF frequently commissions external evaluations. Complex multi-country evaluations are typically commissioned through competitive bids issued by the central Evaluation Office (EO), with country and regional offices playing a role in commissioning country- or region-specific evaluation services.

Evidence from past procurement of evaluation services has shown that too few suppliers bid on global thematic and corporate evaluations commissioned by UNICEF's EO. This limited supplier base adversely affects evaluation outcomes, leading to potential gaps in evaluation quality, diversity, and value-for-money.

This market study engaged (through surveys and interviews) with global suppliers of evaluation services

along with a number of UNICEF's peer organizations (e.g., UN agencies, bilateral donor agencies, regional and global multilateral development banks) in order to:

- Capture insights into the current state of the global evaluation services market
- Identify effective practices in preparing and issuing tenders for evaluation services
- Identify effective practices for engaging and selecting suppliers to provide evaluation services
- Identify how current procurement practices at UNICEF contribute to the selection of evaluation service providers

The study also considered the procurement-related experiences and practices of other industries/the private sector.

## Insights into the supply and demand for evaluation services

**Supply side:** Suppliers of evaluation services include for-profit firms (e.g., consulting firms) and not for profit institutions (e.g., universities, research organizations, and 'think tanks'). The majority are concentrated in developed countries, notably the United States, Canada, and the United Kingdom. The number of evaluation suppliers in the Global South is small, and there is a growing interest by international institutions for working with local in-country evaluation partners.

Engagement with suppliers of evaluation services uncovered a number of findings and observations related to the nature of the evaluation 'marketplace':

- The market is **divided between large and small suppliers**. Among the organizations surveyed, 28% of suppliers delivered >30 evaluations in the past 5 years in the international development/humanitarian sectors, while 26% of suppliers delivered <5 evaluations in the past five years in these sectors.
- Evaluations with **budgets under \$300,000 are the most common**. However, some evaluation suppliers are increasingly choosing not to bid on tenders with budgets known or expected to be in this lower range, in part due to concerns about the feasibility of lower-budget evaluations.
- Suppliers **exhibit many 'community' behaviours**, such as information sharing and teaming. While collaboration and consortium-building among evaluation suppliers is not yet the norm, many suppliers have a willingness and interest to 'team' up and/or work with local evaluators more often. Working with local consultants has been identified by international institutions as a means of building local evaluation capacity.
- **Forming consortia can be a challenge**. Difficulties are typically related to the **added time and effort** needed to establish partnership agreements during the bidding process. Partnering with universities can be particularly difficult.

**"[We] are seeing more competition in the market. Clients are setting the bar higher which means we have to adapt, develop more innovative methods, and keep up to date with social media and tools in data analysis."**

Global evaluation service provider.

**Demand side:** Many of UNICEF's peer organizations themselves commission evaluations each year. While there are many unique approaches and features among these organizations, there is a shared sense that it is currently challenging to attract, select, and retain diverse and high quality evaluation suppliers.

Engagement with these peer organizations led to a number of findings and observations:

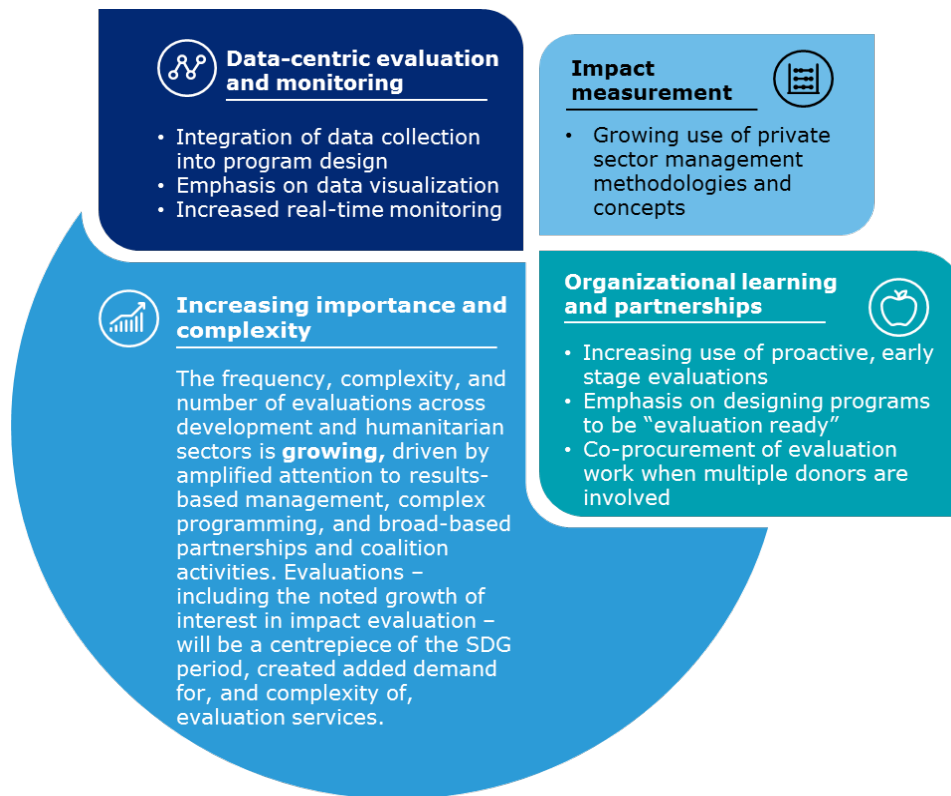
- In general, the **frequency, complexity, and breadth of evaluations is growing**.
- The **approach to designing evaluations differs substantially** between peers. For instance, some international institutions outsource the entire evaluation process, while others conduct most activities using in-house staff, with limited external support.
- In similar ways, **tendering and procurement processes** can vary significantly. There is no 'universal' practice regarding key aspects of the procurement process, such as the disclosure of evaluation budgets, the degree to which team compositions are prescribed in ToR, and so forth.
- Many organizations are becoming **increasingly prescriptive** about certain aspects of the evaluation, such as the required methodologies or expected outcomes of the evaluation itself.

**"Evaluations are becoming more professional. Terms of Reference are getting better and there are more platforms for procurement. However, at the end of the day, we need to ensure the many evaluations we commission are leading to actual learning."**

UNICEF peer organization.

With the nature of evaluations evolving, and the market for evaluation service providers proving to be highly dynamic, a number of forward-looking trends and issues were identified (**Figure 1**).

*Figure 1: Forward-looking trends in the evaluation market.*



### Market study observations and findings:

1. Suppliers **want to conduct evaluations for UNICEF**, with the majority of suppliers surveyed expressing a desire to bid on UNICEF evaluations.
2. Locating evaluation opportunities is **not a significant impediment** for most suppliers. Peer organizations report typically receiving a fair number of responses to tenders for evaluations, which is not always the case for UNICEF-commissioned evaluations.
3. There is a general feeling that the quality and diversity of bids is **not meeting the expectations or aspirations** of many international institutions.
4. The professionalism of the tendering and procurement process influences **suppliers’ interest** in bidding on evaluations as well as **impacting the quality of their bids**. Key issues are that
  - Terms of Reference are often vague or inconsistent;
  - Timelines to respond to tenders are often too short;
  - Budgets are often not provided leading to difficulties in appropriately pitching evaluation methodologies;
5. Evaluation requirements often include overly prescriptive requirements for personnel, sector-specific expertise, and/or thematic experience.
6. Suppliers are **expressing frustration with procurement processes** that are often lengthy and lacking transparency. This is particularly true with evaluations commissioned at the country or regional levels.
7. To alleviate some of these challenges, **suppliers expressed a desire for ongoing engagement** with bid-issuing organizations. A longer-term, ‘relationship’-oriented approach is encouraged between evaluation service providers and international institutions.
8. Evaluation Offices **require greater support** from procurement specialists in order to improve the overall design and implementation of tenders.

## The way forward

In response to the market study, UNICEF's evaluation function is initiating three lines of action:

- Standardizing the process for procurement of evaluation services, starting with the central Evaluation Office (initially focusing on the creation of templates for ToR and tender documents, and scorecards for assessment of technical proposals);
- Typology of vendors: Creating an intranet site to store and make available the vendor information collected through the market study, as well as other databases and listserves of evaluation vendors available at regional/country level;
- Supplier relationship management: Piloting "industry consultation" webinars to inform vendors of upcoming opportunities and provide an overview of the procurement process for evaluation services at UNICEF, including details on assessment criteria for technical proposals.

## Areas for consideration with regard to UNICEF procurement of evaluations

### UNICEF can enhance its procurement process by...

- ✓ Establishing a (more) routinized process for designing tenders and procurement processes of evaluation services
- ✓ Developing a standardized detailed and weighted scorecard reflecting the needs of specific evaluations for assessing technical/financial proposals
- ✓ Improving communication on the roles and responsibilities of the various evaluation (and procurement) functions across UNICEF

### UNICEF can improve the quality of supplier bids by...

- ✓ Utilizing an e-procurement platform
- ✓ Providing directional/indicative budget information
- ✓ Providing suppliers more time to respond to tenders
- ✓ Embedding flexibility in individual experience requirements and increasing emphasis on overall team requirements
- ✓ Offering greater detail and transparency with regard to assessment criteria for technical/financial proposals

### UNICEF can improve coverage of suppliers by...

- ✓ Consistently debriefing suppliers upon win-loss decisions
- ✓ Building or strengthening ongoing relationships with suppliers and other key stakeholders, including evaluation associations
- ✓ Distributing a centralized repository of suppliers to country offices
- ✓ Developing a roster of prequalified suppliers
- ✓ Ensuring supplier contact lists are up-to-date
- ✓ Providing suppliers with predictable forecast information regarding the expected needs for evaluation services



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