

Impact Brief Series, Issue 7

SPARK and Birzeit University

Palestine

The Taqeem (“evaluation” in Arabic) Initiative is a technical cooperation programme of the International Labour Organization and regional partners including Silatech, the International Fund for Agricultural Development and the International Initiative for Impact Evaluation. Taqueem applies an iterative cycle of capacity development, impact research and policy influence to improve evidence on “what works” in youth employment and to support youth employment stakeholders make evidence-based decisions to improve resource allocation and programme design.

The Taqueem Impact Brief Series documents how organizations measure outcomes of their youth employment programmes, the tools that are applied and the findings and recommendations that emerge to assist them in improving impacts and programme design. The organizations profiled in the Impact Brief Series form a Community of Practice, a collaborative approach to building capacity on monitoring, evaluation (M&E) and impact evaluation and foster learning and cooperation among youth serving organizations.

KEY MESSAGES

- Technological M&E solutions may save time and effort in the long run but require a large upfront investment and sufficient staff time.
- It is advisable to have an M&E culture and existing data collection process firmly in place before transitioning to a cloud-based solution.
- Regression discontinuity designs correlate well to business plan competition programmes. Nevertheless, impact evaluation is more challenging than it appears, requiring common understanding on programme logic, large sample sizes, and high technical expertise.

*An overview of SPARK's experience
piloting new data instruments,
an M&E database, and a partnership
with impact evaluation researchers*




Introduction

Founded in 1994, SPARK is an independent, international development organization, aiming to improve higher education and foster entrepreneurship so that young people are empowered to lead their post-conflict societies into prosperity.

In Palestine, SPARK actively supports the Birzeit University IT Center of Excellence¹ through their youth entrepreneurship development programme called “Strengthening Technology Entrepreneurship for a Sustainable Palestinian Knowledge-Based Economy,” targeting youth living in the marginal

¹ Hereafter referred to as Birzeit.



areas of West Bank and Gaza. The intervention is structured along three phases. In the first phase, participants attend a basic business knowledge training course and are assisted in developing and drafting a business concept. In the second phase, more comprehensive one-to-one coaching is provided to further refine these business concepts and to develop formally sound and viable business plans. In the third phase, participants are given professional coaches and are matched with funds to start up their businesses. Participants of the first phase are selected through business plan competitions into the second and third phases of the intervention.

Taqeem support

Prior to Taqeem support, SPARK followed a standard monitoring protocol based on indicators and targets developed using the Donor Committee for Enterprise Development (DCED)² results measurement standard. Data are collected mainly through face-to-face interviews, as well as through emailed survey tools. Country Managers monitor data from their country programme using SPARK standardized tools and formats.

Impact evaluations have been restricted due to resource and time constraints. Due to SPARK's work in post-conflict environments, secondary data are often lacking, and gathering primary data can be logistically cumbersome.

The focus of Taqeem support was threefold. First, to create new and improved existing data collection instruments as well as to train staff on the use of the new instruments. These include a longitudinal outcome monitoring survey and a self-recording video tool; second, to replace paper-based monitoring forms with an innovative, digital-based monitoring application. A third focus was to identify experimental impact evaluation approaches to help SPARK rigorously evaluate the impact of their Palestine programme.

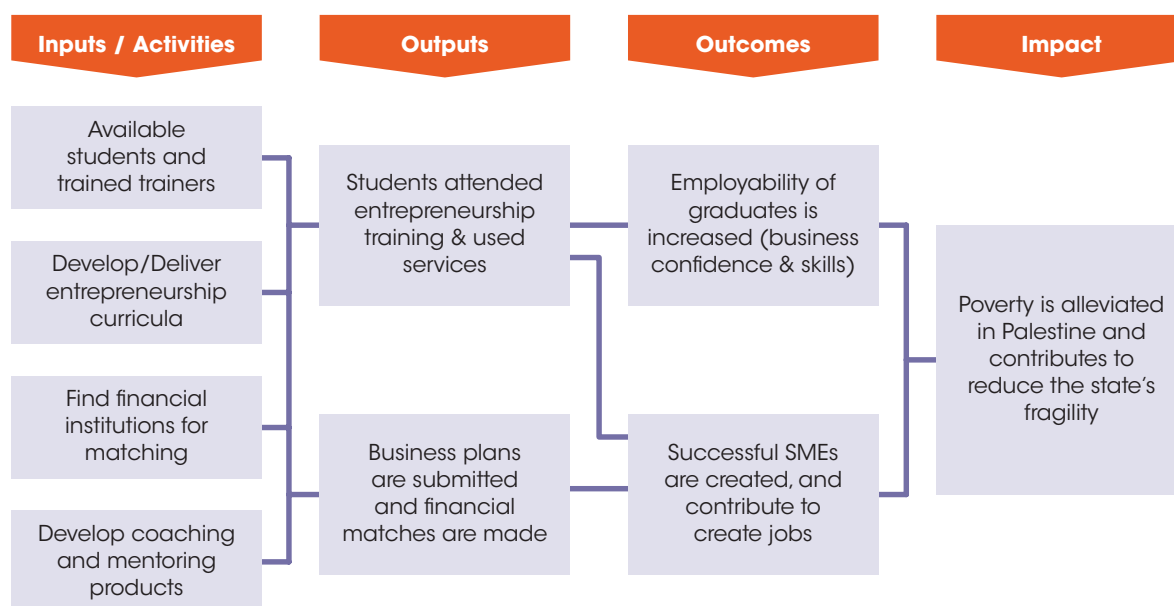
M&E system

Results chain

The results chain of the entrepreneurship training programme (figure 1) depends on the assumption that business opportunities are available in Palestine and that financial institutions are willing to support successful business plans. Taking this into account, by delivering entrepreneurship curricula to its young graduates and facilitating the development of solid business plans, Birzeit and SPARK seek to increase employability and self-employment opportunities, which – in the longer term – are expected to contribute to poverty alleviation in Palestine.

² The DCED standard is a practical eight-point framework for results measurement. It enables projects to monitor their progress towards their objectives and better measure changes, manage implementation, and demonstrate results. (<http://enterprise-development.org/page/introduction-standard>)

FIGURE 1. Overview of results chain, Birzeit and SPARK's entrepreneurship programme



Note: SME = small or medium enterprise

Data collection instruments

The main data collection tools of the M&E system are described in table 1, and figure 2 illustrates the data collection workflow.

TABLE 1. Description of the main data collection tools of the M&E system

Instrument	Main indicators measured by the instrument	Description
Application form	Socio-demographic information such as age, gender, income, education	Paper-based application forms collected two months before start of training provide basic demographic information to SPARK which allows them to select eligible youth for the programme
Baseline and six-month follow-up outcome questionnaires	<ul style="list-style-type: none"> Number and percentage of graduates with increased business confidence/skills Number of SMEs started Number of jobs created in the SMEs started Number and percentage of graduates finding a job within 12 months Average time needed to find employment 	<p>The quantitative survey was designed to be implemented twice; at baseline when youth enter the programme and six months after programme completion. Comparing both survey results will contribute to measure indicators covering topics such as entrepreneurial behavior change, income increase and job-search improvements. The six-month follow-up survey contains questions to measure additional indicators such as time needed to find employment and number of jobs created in SMEs</p>

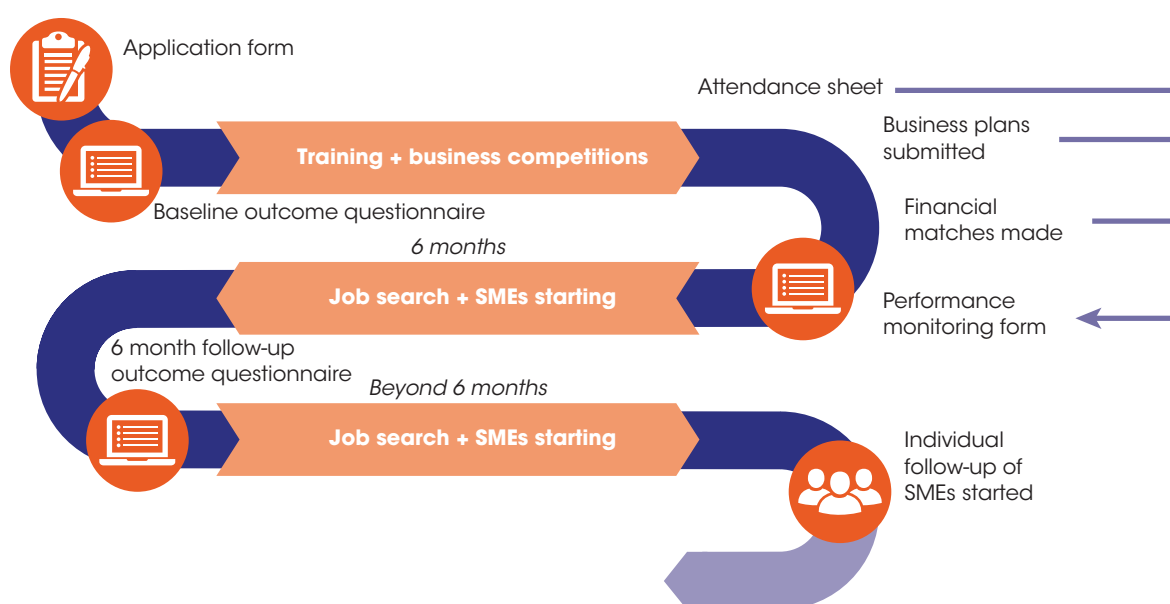
TABLE 1. (continued)

Instrument	Main indicators measured by the instrument	Description
Performance monitoring tool	<ul style="list-style-type: none"> Number of students completing the entrepreneurship training Number of business plans submitted and financial match-ups made 	This tool aggregates output data on entrepreneurial training delivered, business plan competition winners, financial matches made, businesses started, and jobs created. Means of verification for the data include attendance sheets, business plan competition jury reports, financial agreement documents, business visits, business registrations, and employment contracts or employee details
On-going individual tracking of SMEs for three years	<ul style="list-style-type: none"> Percentage of SMEs surviving after three years 	All SMEs, from their starting date, will be individually tracked for the subsequent three years to measure business survival rates


Data management

Taking into account the growing complexity of SPARK's M&E system, it was decided to adopt a cloud-based³ data management platform that would allow Birzeit's/SPARK's business development advisors and staff, regardless of their geographical location, to efficiently enter, process and analyze output and outcome data.

FIGURE 2. Overview of the data collection workflow of the M&E system



³ A cloud-based system refers to a system made available to its multiple users via the internet.



SPARK decided to adopt the Salesforce.com software⁴ for the business data management component of the M&E system, with the consultancy support of Vera Solutions.

The system concentrates on business level data including business registration dates, sales, turnover, profitability, and employment. Each entrepreneur has an account, managed by Birzeit/SPARK advisors, where data are recorded. The database also serves as a document library, an email client, and an M&E report generator.

Impact evaluation

In designing the impact evaluation, SPARK worked with a group of researchers from the Swiss Academy of Development to propose an appropriate methodology for determining the programme's impact. It was decided early on that an experimental approach (randomized controlled trial) would not be feasible given that programme admission was based on self-selection and there was very little excess demand, making it difficult to construct a control group.

The researchers narrowed in on a specific feature of SPARK's programme, the business plan competition, which fits well to a particular quasi experimental methodology: a regression discontinuity design. The competitions awarded points to the business proposals based on the technical quality of business plans. In this case, a cutoff score is determined whereby participants who receive scores just above the cutoff (treatment group) are compared with scores just below the cutoff (control group). The difference in outcomes between these two groups tells us if there has been an impact.

There are two main challenges with this type of design. First, since only individuals located in the proximity of the cutoff are included in the analysis, whereas individuals located further away are excluded, a large sample size is required. Second, results cannot necessarily be generalized to the whole study population, but hold true only for individuals near the cutoff.

In the end, SPARK decided to postpone the impact evaluation to future years of the project. After running power calculations, sample sizes were too low in this cohort and the training and coaching content were still undergoing some changes.

M&E results

- **Participation:** In 2012, Birzeit recorded 713 graduates trained in the programme, 56 per cent of whom were women. In that same year, six business plan competitions were held. In total, 194 business plans were submitted, 44 per cent of them by women. Overall, 20 per cent of programme participants submitted a business plan.
- **Matching to finance:** In 2012, 18 new financial match-ups were finalized. This shows that only a small fraction of the business plans materializes in financial match-ups.

⁴ Known for its customer relationship management system, Salesforce.com software combines database structures and navigation, notably through drag-and-drop reporting and built-in dashboards.

- **Start-ups:** Counting both years 2011 and 2012, five business start-ups succeeded out of the 18 financial matches made (28 per cent), and three businesses are considered grown.⁵ This number is likely to increase once the data collection results from 2013 become available.

Lessons learned

Pilot-testing instruments is crucial

Pilot-testing is a crucial step in the implementation of a data collection tool. For instance, the length of the questionnaire was reduced significantly when it emerged that respondents lost interest after 30 minutes. Further testing may lead to additional adjustments, trying to find a compromise between reducing the time burden for respondents and keeping the quality and the usefulness of the information collected.

Pilot-testing has also proven to be extremely valuable when using Salesforce.com. Indeed, when the data collection officers first entered real data from the M&E tools into Salesforce.com, some practical issues arose, such as misalignments between the available data and the template to be filled.

Allocate sufficient staff time for M&E activities

Throughout the Taqeem journey, SPARK and Birzeit have acknowledged having underestimated the time required performing the designed M&E activities, despite having a person dedicated to M&E in their headquarters. From their own words, what was lacking was a dedicated local staff member able to focus “exclusively on the [M&E] project.”

Activities are also very time-consuming when numerous actors are involved. For example, SPARK faced challenges in getting their key local partners in Palestine to start gathering and inputting data. They recommend other practitioners to prioritize showing the partners the value of supporting this form of data collection.

Dealing with Salesforce.com

The implementation of the Salesforce.com data management software caused some delays to SPARK and Birzeit. In order to successfully adapt an M&E system to Salesforce.com, an organization needs to nail down, at the detailed level, what information they want to collect as part of their M&E process. This not only refers to the indicators, but also the question fields, and the picklist values they will have as options in each field.

⁵ A business is considered grown when it has been started in the previous outcome reporting period (half-year) and has shown turnover growth in the next; business survival rate is a separate outcome indicator (three years of turnover shown).

Next steps

Finalize the implementation

Finalizing the implementation of the designed M&E system, including a functioning data management system, remains a high priority for SPARK and Birzeit. Moreover, additional training on data entry using Salesforce.com is expected to increase the effectiveness of output monitoring.

Replicate the data management system

Provided the implementation of the system is successful, SPARK seeks to replicate the M&E approach to similar youth entrepreneurship programmes in other supported countries and organizations. Given the experience gained with Birzeit, the replication promises to be less time-consuming than the initial pilot of the system.

Programmatic adjustments

The data already collected indicate that only a very small number of programme participants end up starting a business through the financial match-up made by the university. Thus, SPARK and Birzeit have initiated several programmatic adjustments: (i) monitor trained graduates more closely after they leave the Birzeit programme to determine SME start-up and job creation effects; (ii) increase the visibility and attractiveness of the SPARK guarantee loan system with Faten, the Palestinian MFI providing start-up loans, so that more graduates access these; and (iii) develop higher-level coaching services for new entrepreneurs that do not exist on the market.



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