



# Evaluation Summaries

## Evaluation: Employment Sourcing and Delivery System in Sri Lanka: JobsNet

### Quick Facts

**Country:** Sri Lanka  
**Mid-Term Evaluation:** May 2006  
**Mode of Evaluation:** Independent  
**Technical Area:** Employment Services  
**Evaluation Management:** Asia  
**Evaluation Team:** Michael Wheelahan and Lennart Königson, external evaluators  
**Project Start:** March 2004  
**Project End:** February 2007  
**Project Code:** SRL/03/01/SID  
**Donor:** Sweden (US\$ 2,162,397)

### Background & Context

#### Summary of the project purpose, logic and structure

JobsNet – the National Employment Sourcing and Delivery System – was established as a referral system that benefits jobseekers, local and foreign employers and self-employment seekers by providing referrals to jobs and training, information, advice and career guidance. The project was developed as a public sector – private sector partnership (PPP) with the Ministry of Labour Relations and Foreign Employment (MOLRFE) representing the Public sector joining with the Ceylon Chamber of Commerce (CCC) harnessing the support and active participation of the private sector. Under the project funded by the Swedish International Development Cooperation Agency (Sida), the CCC would handle specific accounting and procurement tasks for JobsNet with the ILO having overall

responsibility for the management and implementation of the project. Sida's financial support for the project covers a period of three years with effect from March 2004. The development objective is to contribute to poverty alleviation, employment promotion, private sector development, and peace and reconciliation. The immediate objectives are that a) JobsNet provides employment services to jobseekers and employers effectively and independently and b) jobseekers throughout Sri Lanka have access to gainful employment or self-employment in large numbers.

#### Present situation of project

The project management unit and the JobsNet Project Director and his staff have established a functioning and well-organised network of offices across Sri Lanka, have promoted the service and created public awareness of JobsNet.

The head Office works in divisions covering Business Development, Marketing and Communications, Coordination, Human Resource Development and Administration, Systems Administration, Finance and Human Resources.

JobsNet has developed a software system to support its operations. JobsNet staff currently use the Data Base Client Server software for job seeker registration and job order registration. A web based dynamic site allows jobseekers and clients to interact with JobsNet online. Synchronization software is used for data transfer between remote JobsNet centres and the Head office database in Colombo. The software provides an automated matching

system and allows individual jobseeker records to be updated with feedback and new information.

### **Purpose, scope and objectives of the evaluation**

The objective of this mid term external evaluation is twofold:

- To assess whether the project is on the way towards, or has achieved its immediate project objectives measured against the set performance indicators stated in the programme document.
- To provide a basis for Sida's and ILO's assessment of the future development of the programme.

### **Methodology of evaluation**

The evaluation team conducted a desk review of project documents and reports as well as consultations with stakeholders involved in the project such as employers, jobseekers, government officials, trade unions, ILO, JobsNet employees and subcontractors.

## **Main Findings & Conclusions**

Records show that for the nine months up to March 2006, 109,429 jobseekers were referred for employment, but that only 2,199 of those were confirmed to have been recruited. Surveys carried out among jobseekers, however, indicate that actual placements are likely to be at least four to five times higher than those reported by employers. This suggests that JobsNet may, in fact, have achieved its technical sustainability targets for placements (7,000 placements after Year 2). However it appears that no procedures have been put in place to validate more accurately the outcome of referrals to employers as a standard part of JobsNet procedures and services. A key issue JobsNet has yet to solve is how to ensure that information on recruitments is obtained.

The Ministry has allowed the PPP to gradually relapse without seeking a replacement of or a complement to CCC. The donors' commitment to funds was predicated on JobsNet being a PPP. The Ministry's failure to invite other

private sector actors to fill the void left by CCC is a breach of an implicit commitment made when the government solicited donor funding for the project.

JobsNet has not served the large public sector employment market nor will it directly serve employers outside of Sri Lanka. It is left with the private sector which in 2005 accounted for less than one third of the measurable demand for labour in Sri Lanka. This makes it even more important to resurrect the PPP.

JobsNet management has failed to accept that it should not serve foreign employers directly.

JobsNet has neither defined and tested sellable employment products nor determined how to charge for them.

Project implementation has been overly focused on jobseeker registration and system development at the expense of employment services for employers and financial sustainability.

In 2005, JobsNet's revenue from employment related activities (mainly membership fees) amounted to less than 10 percent of total costs. Unless JobsNet changes its business concept to that of providing and charging for placement services it is heading for a financial collapse in less than a year's time. With revenue based on fees for placements/recruitments JobsNet should be able to become financially sustainable in the course of 2007.

Little thought appears to have been given to how the proper handling and integrity of JobsNet's database should be guaranteed once the project is completed.

## **Recommendations & Lessons Learned**

### **Major Recommendations and follow-up**

- The Ministry should take immediate steps to resurrect the PPP and involve several private sector related social partners.
- JobsNet should focus on providing recruitment and placement services only.
- JobsNet should not register for matching purposes unemployed persons it deems unemployable or persons seeking employment in the public sector only.

JobsNet should take immediate steps to improve the employability quality of its current jobseeker register.

- JobsNet should not undertake non-core activities that are unsustainable unless separate funding is provided for such activities.
- JobsNet halt the escalation of administration and overhead costs. Reductions could also be achieved by curtailing administration staff and by closing regional centres that are non sustainable.
- JobsNet should not solicit revenues from other sources but Sida and Sri Lankan employers unless authorised to do so by a unanimous Steering Committee.
- JobsNet's entire organisation should be driven by the following three measurable targets: Placements, Revenue from core activities, and Ratio of placements to jobseeker registrations.
- Database integrity must be guaranteed beyond the life of the project.

### **Important lessons learned**

- Private sector representation on the partnership Steering Committee should consist of a representative sample of social partners.
- Targets should be reduced to a minimum and be clearly linked to a maximum of three key objectives.
- Care should be taken to ensure that system enhancements are in line with objectives and not 'over-glamorise' the service.
- Failure on the part of the Ministry to replace or complement the private sector partner with other private sector partners/representatives has seriously weakened the Steering Committee's capacity to guide and monitor the project. It has resulted in ILO having to take on a much greater management role than originally envisaged.