



Evaluation Summaries

Evaluation: Vietnam Industrial Relations Project

Quick Facts

Country: Vietnam

Mid-Term Evaluation: February 2005

Mode of Evaluation: Independent

Technical Area: Social Dialogue

Evaluation Management: Asia

Evaluation Team: Larry Beyna

Project Start: January 2003

Project End: January 2006

Project Code: VIE/01/52/USA

Donor: United States (US\$ 1,774,371)

Background & Context

Project Background: The project aims to build awareness of the nature and importance of good industrial relations; assist the Vietnamese government in improving Industrial Relation (IR) policy; build sustainable capacity to provide IR training and technical assistance at the national and provincial levels; and improve knowledge and practice of sound IR approaches in targeted private-sector, mostly foreign-invested enterprises.

The project targets 70 enterprises (the “Vietnam 70”) - ten each in the country’s seven most industrial provinces. To reach those enterprises, and build sustainable capacity in IR, the ILO project team works with several partner/co-implementers. At the national level, they include the Ministry of Labour, Invalids and Social Affairs (MOLISA), the Vietnam General Confederation of Labour (VGCL), the Vietnam Chamber of Commerce and Industry (VCCI), and the Vietnam Cooperative Alliance (VCA). Members of

these organizations sit on an advisory National Project Steering Committee, and there is a Project Management Unit in MOLISA that works closely with the ILO team to facilitate implementation. At the provincial level, partners include two IR Advisory Service Departments (IRASDs), and ad hoc, project-created, tripartite Provincial Project Task Forces (PPTFs), whose members received IR and training-of-trainer training from the project and now conduct training and other assistance activities for their chosen target enterprises.

In addition to establishing PPTFs and IRASDs, the major activities included producing and disseminating a variety of high-demand promotional and informational materials, study tours, establishing an IR website, co-sponsoring Vietnam’s first-ever national IR conference. Others include training, development of training programs, research on causes and impacts of strikes, assisting MOLISA in improving national IR laws and regulations, and conducting enterprise-level surveys of impact.

Evaluation Context: The evaluation focused on answering six key questions of interest to project sponsors and implementers, namely, whether the project strategy remains valid, what beneficiary impacts have been achieved to date, whether implementation is on track, whether activities and impacts can be sustained, how project management has performed, and whether the performance monitoring system is effective.

The methodology used consisted of document reviews, eight days of on-site observations, interviews and discussions with project staff,

stakeholders and beneficiaries; and post-visit email conversations with project staff and evaluation team members.

The limitations in evaluation results are; there is selection bias, in that five of the seven enterprises had existing good IR even before the project intervention and all seven had good IR after. Furthermore, the team's ability to conduct in-depth interviews was limited by time. Moreover, many of the interviews were held in group format and, as dictated by Vietnamese custom, the highest ranking person tended to dominate interviews involving tripartite social partners.

Main Findings & Conclusions

The PPTFs and IRASDs—the two key strategic vehicles for increasing IR awareness and improving IR practice among enterprises—appear to be working exceptionally well in carrying out their missions. Despite some concerns that the IRASDs might not be able to exercise sufficient initiative and control over their activities because of their bureaucratic ties to their provincial governments, this does not appear to be the case. The lack of funds is the greatest obstacle to increased PPTF and IRASD effectiveness in reaching and improving IR at more enterprises.

The training, study tours, informational and promotional materials, and other support provided to the PPTFs, IRASDs and other actors have been a critical, and valued, contribution to building IR expertise at the provincial level. However, the training-of-trainers (TOT) strategy does not appear to have fully succeeded in creating a cadre of trainers who can design and deliver training on their own. The IR website appears to be neither used very much nor seen as very useful by those who have accessed it.

Beyond establishing IR capacity at the provincial level and improving IR at the enterprise level, the project has had additional positive effects at the provincial level. These include strengthened tripartite relationships through organizations' collaboration on project activities, an improved image of VCCI and

increased confidence of workers in their unions. Overall, performance data and the site visits indicate that project interventions have had positive and likely lasting impacts on enterprises. However, spreading IR awareness and practice to more enterprises will be difficult without additional financial resources and time.

There are positive indications of the sustainability of IR activities beyond the end of the project. This is true in both the organizations that were established through the project (i.e., the PPTFs and IRASDs) and in the pre-existing organizations with which the project has partnered (i.e., MOLISA, VGCL and VCCI). The lack of funds appears to be the main obstacle to expansion of the IR effort to the enterprises within the provinces that have not yet been reached and to building IR capacity in the other provinces. The funding is needed for large-scale expansion and long-term sustainability from national sources or other donors after USDOL funding ends. Continued tripartite collaboration at both national and provincial levels appears to be a key to financial and institutional sustainability in the future. Another key to sustainability would be the total weaning of project partners from financial and technical dependence on the project.

On the whole, project participants have been very satisfied with the performance of project management. One critical exception is apparently insufficient communication and consultation between the project Chief Technical Advisor (CTA) and the head of the Project Management Unit (PMU) in MOLISA. Lastly, the absence of any stakeholder involvement in developing/revising the project strategic framework and the apparent absence of any sharing of data with stakeholders or strategic use of the performance data for the indicators suggest that the system is not being used as USDOL intended.

Recommendations & Lessons Learned

Recommendations: The project staff should devote some of their 2005 efforts to helping PPTFs and IRASDs identify and develop strategies for generating financial resources for reaching, training and otherwise assisting enterprises with IR.

Ways should be implemented of ensuring a sizeable cadre of people who are skilled in designing and implementing training programs on their own.

The website should be transferred to one of the Vietnamese partners. If a transfer is not possible, staff should either abandon the website or make improvements to its content and maintenance.

An IR-expert/training-expert database should be created, for current use and to leave behind after termination.

Project staff, in collaboration with their national and provincial partners, should devote some final-year effort to developing post-project strategies and plans for spreading IR awareness and practice within and beyond the seven targeted provinces.

The project management should explore and apply whatever responsible means they can to reduce and eliminate the dependence on the project of the provincial network of IR practitioners and trainers.

During the final year, project staff should work with their Vietnamese partners to develop a post-project sustainability plan, which clearly outlines what needs to be done, and by whom, to keep the project activities going after USDOL funding ends.

To maximize the utility and use of project strategic frameworks, performance indicators and performance monitoring plans, USDOL should make every effort in the future to ensure that these key tools are developed as early as possible in the life of a project. If this cannot be done, then USDOL should consider using an amended, simpler approach to performance measurement of project objectives.

In future projects, USDOL should insist that project stakeholders, especially co-

implementers, be included in the development of project strategic frameworks and PMPs.

Now that two IRASDs have been functioning for over six months the project should proceed with having IRASDs log requests for information and training from non-Vietnam 70 companies, as specified in the project Performance Monitoring Plan.

Project staff should reconsider their plan to conduct two semi-annual, random-sample surveys of impact among targeted enterprises in, in favour of doing only one broader survey, which would include both targeted enterprises and additional enterprises that have received project interventions.

At a minimum, the project should consider sharing the performance data collected to date with key stakeholders and co-implementers at the national and provincial levels, especially the PPTFs, who have been helping with data collection.