



# Evaluation Summary



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## *Inclusive Market Development for Decent Work - the Lab (M4DW) Final Independent Evaluation*

### Quick Facts

**Countries:** Global programme with country activities

**Final Evaluation:** June-August 2017

**Evaluation Mode:** Independent

**Administrative Office:** EMP/SEED

**Technical Office:** EMP/SEED

**Evaluation Consultant(s):** The Palladium Group-Research, Monitoring and Evaluation Unit

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**Project Code:** GLO/13/15/SWI

**Donor(s) & Budget:** Swiss State Secretariat for Economic Affairs (SECO),  
CHF 2,788,847

**Keywords:** Market Systems Development, Monitoring & Results Measurement, Decent Work, Job Creation, Knowledge Generation, Value Chains, Inclusive Markets

### Background & Context

*Market Systems Development for Decent Work (The Lab-I)*, was a four-year ILO project, funded by SECO, which aimed to generate practitioner knowledge about market systems development in targeted sectors that could lead to creation of more and better jobs. The Lab had three key

objectives: (i) Strengthened value chain selection and analysis to maximise labour market impacts, (ii) Improved results measurement focusing on both the quality and quantity of jobs, and (iii) Embedded national market system facilitation capacities. The Lab planned and conducted its activities based on these three core objectives as well as two cross-cutting work streams around building partnerships and networks and knowledge sharing in order to both generate and share knowledge around measuring and maximizing job impact.

### Present Situation of the Project

The Lab was a knowledge generation project housed in the Value Chain and Market Development sub-unit within the Small and Medium Enterprise (SME) unit of the Enterprises Department at the ILO in Geneva, Switzerland. Phase I of the project is being concluded at the time of this Evaluation. SECO has indicated its willingness to fund a second phase of the project, based on which the strategy and project document for the second phase has been developed.

### Purpose, scope and clients of the evaluation

As the final independent evaluation of Phase I of the project, an overarching goal of this evaluation was to determine if the Lab was successful in achieving its three core objectives. It aimed to determine the project's **relevance** to its predefined strategic priorities including filling the knowledge gap, delivering through a collaborative

and synergistic approach and sustained capacity building; **efficiency and effectiveness** in producing intended outcomes, and **sustainability** and contribution to broader impact<sup>1</sup>. The evaluation was geared towards the Evaluation Unit of the ILO, the Lab's team and Enterprises Department at the ILO, SECO and other actors within wider community of practice. Given this was a global programme, the evaluation reviewed activities within a range of different countries using secondary data sources and covered the entire lifecycle of the project from its inception in 2014 to finalisation of Phase I in 2017.

### Methodology of evaluation

The evaluation followed OECD's Development Assistance Committee (DAC) set of criteria to serve as guiding principles. Based on this criteria, an evaluation framework was developed that described the type of data required to answer each evaluation question and the specific methods which were used to gather these data. A combination of primary and secondary data collection was used to generate an evidence base. Data analysis largely followed a triangulation approach, weaving together these primary and secondary sources, and quantitative and qualitative data to robustly answer the stated evaluation questions.

### Main Findings & Conclusions

Based on the evaluation objectives and methodology described above, the evaluation team reached some key conclusions and distilled lessons that are described below.

**Relevance and Strategic Fit:** The Lab's work addressed needs of donors and practitioners in designing and efficiently implementing market systems development projects. This included key technical knowledge gaps that are important for stakeholders and practitioners to fill in order to design and implement effective market development programmes aimed at creating

decent work. This emphasis on decent work created a comparative advantage for the Lab over other knowledge generation initiatives.

While all three objectives of the Lab were directly relevant to its intended impact, the third objective around embedding national facilitation capacities was less of a strategic fit than the other two, given the level of ambition to achieve this objective and resources available. The strategy to pursue these objectives evolved over time. In this context, the Lab's team demonstrated its ability to flexibly adapt and respond to changing contexts and demands. However, it should be noted that the process of strategy development, implementation and monitoring of progress would have benefited from a more robust project level monitoring and results measurement system to provide a stronger evidence base to support revisions and adaptations.

**Progress and Effectiveness:** There have been varying levels of investment and success in the three key objectives. The Lab was the most successful in supporting projects with technical advisory services in taking a systemic approach to working in value chains and sector selection. The Lab also demonstrated success in producing technical knowledge and working with projects to develop rigorous monitoring and results measurement systems. However, strengthening national capacity for market facilitation was an ambitious objective for a 3-year project that aimed to generate and effectively manage technical knowledge on systemic approaches to market development. As such, it is still to be seen if there was any success in sustainably building capacity within national stakeholders for market facilitation through the limited set of capacity building activities that were done.

**Impact Orientation and Sustainability:** The Lab has been able to effectively reach out to key

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<sup>1</sup> ILO policy guidelines for results-based evaluation: principles, rationale, planning and managing for evaluations / International Labour Office, Evaluation Unit (EVAL) - Second edition - Geneva: ILO, 2013

relevant stakeholders within donor and practitioner communities, and has been successful in establishing influential linkages. It has also been successful in adding value and richness to the technical debates around job creation through market systems development approach. Operating within the ILO and its institutional structure offered opportunities and challenges for the Lab to achieve its objectives. This institutional affiliation contributed to the establishment of wider credibility of the Lab in a relatively short time period. The degree to which this credibility effectively translated into systemic changes in ILO's portfolio of projects was limited in Phase 1, as that in itself would require a systemic approach to shifting the status quo in terms of how the ILO designs and implements market development projects, which was not an explicit objective of the first phase.

**Efficiency:** The Lab has been able to effectively embed itself within the wider donor community pursuing a decent work and employment creation agenda through a market systems development approach. It also successfully created credibility with other major long-term initiatives, and efficiently utilised resources and networks to build an influential intellectual footprint within the market system development space. However, as far as the collaboration with projects goes, in certain situations, the Lab's approach could have been better adapted to the existing implementation and reporting protocols at the ILO, and operational context of projects.

#### **Follow-up from Mid-Term Evaluation:**

These conclusions are also fairly consistent with the findings of the Mid-Term Evaluation of the Lab that was conducted by Mesopartner in February-March 2016. Although the recommendations given after the Mid-Term Evaluation adequately reflected these findings, it is difficult to determine the extent to which these recommendations were effective in addressing the identified challenges given the brevity of time elapsed since the

evaluation was done. However, the Lab team implemented most of the key recommendations including development of a comprehensive communications strategy and creating synergies with other initiatives through connecting ILO projects for additional technical support. Given the timescale and resources available in Phase II of the Lab, it doesn't seem likely that the Lab team will be able to position its staff closer to regions with high density of market system development programmes. It will be more impactful for the Lab to focus on its key objective of knowledge generation and adopt a collaborative approach to mainstreaming this approach within and outside the ILO.

### **Recommendations**

#### **Main recommendations and follow-up**

Based on these conclusions given in the previous section, the evaluation team recommends that the Lab should:

- ➊ **More narrowly define key objectives** in the subsequent phase that are feasible and realistically achievable to be able to successfully achieve its desired impact.
- ➋ **Take a more systemic approach** to design and delivery of Phase II. This will involve analysing the systemic constraints that inhibit key actors' ability to adopt systemic approaches to creating decent work, and collaboratively designing interventions that help alleviate these constraints.
- ➌ **Leverage its networks** to develop strategic partnerships with key actors through which the Lab can more effectively disseminate and embed its technical knowledge within projects focusing on market development.
- ➍ **Develop a robust and realistic results chain** that creates a culture of learning through effective monitoring and results

measurement, and is used to adapt and recalibrate the project design.

In addition, the evaluators also noted that there is potential for **organisational re-engineering within Enterprises Department of ILO** that allows the Lab to be focused on its key objective of knowledge generation, while it can work with other units and sub-units to institutionalise those approaches within the ILO and use their resources to provide technical backstopping support to the field projects.

The evaluation team drew **two keys lessons** that will have implications for future efforts to introduce systemic approach to market development and creation of quality of jobs:

- ❶ **A robust M&E System is crucial to drive evidence-based learning and adaptation** as it allows projects to be able to monitor their progress, determine strategy and assess trajectory towards the intended impact.
- ❷ **Behaviour change is complex and takes time.** Systemic approaches to market and value chain development are complex. In order for stakeholders to be able to adopt a systemic approach when they are accustomed to operating in a traditional and set institutional environment, it requires a careful analysis of their existing behaviours and their determinants, and then rolling out targeted interventions that can influence these determinants.