INTRODUCTION

Since 2011, the Evaluation Office has conducted meta-analyses on decent work results and effectiveness of ILO operations. The studies have found that consultation with stakeholders is a key aspect of undertaking ILO projects (including their evaluations) so that all needs and interests can be met as fully as possible.

Stakeholder participation in evaluation includes formal consultations at the outset of the evaluation, their review of the Terms of Reference (TORs), inception and draft reports, and seeking their input on the final report. Some important points listed in the studies are noted below:

- For regional projects, the grouping of countries into regions and sub-regions means that national interests may not be adequately represented (ecological fallacy);
- Beneficiaries are also stakeholders and, when appropriate, their participation in the evaluation process should be noted in the evaluation TOR, with time and resources provided for their relevant participation; and
- When conducting interviews and surveys, a structured approach may be the most effective way of capturing the most useful input from stakeholders.

This guidance provides an overview of the ILO’s approach to stakeholder engagement and participation. It also explains its importance in the evaluation process. The guidance note is aimed at all officials whom are involved in the project cycle: from its design to evaluation.
1. STAKEHOLDERS – DEFINITION

According to the OECD, stakeholders are agencies, organizations, groups or individuals who have a direct or indirect interest in a development intervention or its evaluation. In the ILO, the most important stakeholders are its tripartite constituents (member States, workers’ organizations and employers’ organizations).

When conducting evaluations, the UN Evaluation Group (UNEG) Standards for Evaluation in the UN System states, “Inclusive and diverse stakeholder engagement in the planning, design, conduct and follow-up of evaluations is critical to ensure ownership, relevance, credibility and the use of evaluation. Reference groups and other stakeholder engagement mechanisms should be designed for this purpose.” (Standard 4.6). This guidance note explains how the Standard can be put into practice.

2. STAKEHOLDER IDENTIFICATION

Stakeholders are principally identified in the project document. Guidelines on this are covered in the ILO’s Development Cooperation Manual (p.33). When it is time to draft the TORs for an evaluation, project management and the evaluation manager should ensure that all relevant stakeholders are identified. Whether for a midterm or a final evaluation, it is important that all relevant stakeholders are included in the design and evaluation processes. This may require that project management identify additional stakeholders that may have been added during project implementation. An extract from the ILO TC Manual on stakeholder identification and analysis follows:

Step One: Stakeholder analysis.
Projects operate in a complex social context where a good understanding of the roles of different actors and the relationship is essential in order to ensure a good project design. Ultimately, projects are about people and therefore it is fundamental to understand who the different players are, their expectations and interest, their influence over others, etc. In particular, it is to understand the key relationships between project management, the target population, the social partners and other agencies or institutions. Stakeholder analysis is a tool that helps to develop an understanding of different stakeholders, their characteristics, motivations, expectations and constraints.

Step Two: Target population/Group identification.
Good understanding of the target group is particularly important. Since in most of its projects, the ILO assists some stakeholders to build their capacities, or to improve the context in which they operate, so they can provide better services, there is a need to distinguish between the direct recipients of project outputs or services and the ultimate beneficiaries.

- **Direct recipients of project services**: These are agencies, such as ministries of labour, social partners, educational/training institutions, local administrations and community leaders that are enabled to carry out advocacy and development activities.
- **Ultimate beneficiaries (or indirect beneficiaries)**: This is the target group that is expected to be better off as result of the project. The project may provide services directly to this group or more commonly target this group through the strengthening of institutions and organizations (i.e., the direct recipients), which support, increase awareness, or advocate on behalf of the ultimate beneficiaries. The distinction between direct recipients and ultimate beneficiaries is particularly important for donor-funded development cooperation projects, where donors are primarily concerned with the impact of the project on the latter group. As a result, the project proposal should spell out the intended results of the project beyond just the direct recipients. For example, although the direct recipients of a project’s services may be labour market policy-makers, the ultimate beneficiaries would be workers or employers in the labour market. The proposal should describe the ultimate benefits of the policy changes, even when the project has no direct control over the way the direct recipients interact with the ultimate beneficiaries.
- **Target group differentiation**: Target groups are rarely homogeneous and the situation analysis should differentiate between groups within the population (gender, age, sector, etc.). This depends on the specific situation and scope of the project, but may require the differentiation of the interests of the social partners, regions and sectors, the formal and informal economy, youth and elderly, and most importantly, women and men.
- **Link to problem analysis**: When the target group is not sufficiently differentiated, the problem analysis tends to be superficial or too broad and does not allow the effect of the core problem within the various subgroups to be captured. For example, focusing on the unemployed without differentiating age groups may lead to a wrong strategy for youth unemployment. Focusing on the poor without disaggregating the data by gender, may lead to strategies that overlook gender equality issues, etc. Appropriate differentiation of the target groups during situation analysis facilitates the definition of project objectives, tracking of project outcomes and expedites project evaluation.
Guidance Note 4.5: Stakeholder engagement

Step Three: Problem analysis
The justification for any action or intervention is to address a problem or constraint affecting a certain group of people (the target group). The key to a successful project design is to understand the cause(s) of the problem or constraint because a good project is formulated to tackle the causes rather than the problem itself. It is important, therefore, that while formulating the theory of change, project designers should not only understand the root cause of the problem but also have some idea about the needs and the effect of interventions on the target population. Therefore, the result of the problem analysis is a deep understanding of the nature of the problem.

The information required to answer the evaluation questions is frequently distributed among the different stakeholders, constituents, beneficiaries, ILO units, other agencies). They should be part of the information gathering process because critical insights may be missed if some of them do not have a voice in project design. For example, it is difficult to imagine that gender has been fully considered in the analysis if consultation is limited to only one gender or that a project can address labour market problems without involving both workers’ and employers’ organizations. The quality of the information gathered and of the assumptions made must not be taken at face value and should be challenged, verified and validated.

Step Four: Institutional framework
The institutional framework focuses on the relationships between the different types of agencies analyzed in the stakeholder analysis. In addition to the ultimate beneficiaries, this includes direct recipients, delivery agencies, oversight agencies, and the role of the social partners. The institutional framework sets out the relationship between the different stakeholders and, in particular, the relational triangle between governmental agencies, project management and the target population.

- Delivery agencies: These are organizations, including ILO units, which manage and deliver services and products to either the direct recipients or the ultimate beneficiaries. Increasingly, projects are implemented through partnerships, which bring together the comparative advantages of each partner. The stakeholder analysis, which might be supplemented by a SWOT (strengths, weaknesses, opportunities and threats) analysis, provides a means of assessing the capabilities of delivery agencies and identifying problems, which can be supplemented as part of the project.

- Oversight and governance agencies: These agencies play a strategic and regulatory role and are ultimately responsible for project management. In some cases, oversight activities remain within the ILO at either field or headquarters level while, in other cases, these responsibilities are shared with different agencies. Sometimes, new governance structures (e.g., steering committees) are set up to coordinate and oversee project implementation.

- Role of the social partners: The role of the social partners and constituents is of particular importance and varies from project to project. It must be carefully spelled out in the project design. This is important since the social partners can play more than one role within the same project. For example, constituents may be providers of services (delivery agency), target populations (recipients or ultimate beneficiaries) as well as having an oversight and strategic role (governance). Good project design requires these different roles to be separate and clearly defined. See Guidance note 3.2 Integrating social dialogue and ILS in monitoring and evaluation of projects to know more.

3. STAKEHOLDER ENGAGEMENT IN EVALUATIONS
The evaluation approach must consider learning and participation opportunities for key stakeholders (e.g., workshops, learning groups, debriefing, participation in field visits) to ensure that they are fully integrated into the evaluation learning process. Depending on the type, stakeholders may be more involved in some evaluations than in others, for instance in internal evaluations.
As per the UNEG Norms and Standards for evaluation, processes should be in place to secure the participation of individuals or parties who may be affected by the evaluation, are able to influence the implementation of recommendations or who would be affected in the long term.
Different types of stakeholder groups could be formed for their continued engagement, as described below:

- Reference groups are composed of core groups of stakeholders who can provide different perspectives and knowledge on the subject. The reference groups should be consulted throughout the evaluation process to enhance the relevance, quality and credibility of the evaluation results.

- Learning groups could be established with stakeholders to focus on the use of evaluation. Learning groups generally have a smaller role in quality enhancement or validation of findings than reference groups.

- Steering groups not only advise, but also provide guidance to evaluations. These groups are created to ensure better ownership.
Advisory groups are composed of experts on evaluation or the subject matter to enhance the relevance, quality and credibility of evaluation processes through guidance, advice, validation of findings and use of the knowledge.

Stakeholders should be consulted in the planning, design, conduct and follow-up of evaluations. Several mechanisms can be used to engage with stakeholders throughout the evaluation process. Some examples are described below:

**Planning the evaluation and drafting the Terms of Reference (TORs)**

Once the stakeholders are identified, they are consulted when drafting the Terms of Reference (TORs) for their input on key technical issues, methodology and timing. When feasible, a core learning group or steering group composed of stakeholders in the evaluation may be created. Consultation meetings can also be convened to discuss evaluation design.

**Data collection process**

Evaluations take into account all groups, and is responsive to differences among them. They disaggregate groups by relevant criteria (women/men, economic class, age, ethnicity, religion, etc.) and pay attention to which groups benefit from, and which groups contribute to the intervention under review. Their input is essential when gathering the necessary data for the evaluation. Depending on the kind of evaluation, stakeholders should be considered for a range of inputs, including surveys, interviews and focus groups. Details on data collection techniques that can be applied to evaluations that are responsive to gender equality and human rights can be consulted in Guidance Note 3.1 Integrating Gender Equality in Monitoring & Evaluation of Projects. More general guidance on data collection methods can be found in Guidance note 4.3 Data collection methods.

Once data has been collected, preliminary findings from evaluations are shared and validated with stakeholders through workshops or virtual meetings.

**Further guidance:**
- Guidance note 4.3 Data Collection Methods
- Checklist 4.1 Validating methodologies

**Finalizing the evaluation: Reporting on results**

Stakeholders are provided with a draft report that they can check for accuracy and provide general comments. The consolidated comments are compiled by the evaluation manager and then sent to the evaluator for consideration.

**Dissemination of the evaluation results**

Once an evaluation is approved, the Evaluation Office makes it accessible to the public via i- eval Discovery. Project management, the evaluation manager, and even the evaluation consultant are encouraged to share information on evaluations with relevant stakeholders.

Dissemination strategies should include formal outreach processes that are comprehensive and systematic to increase the likelihood that potential users will take action on recommendations, utilize lessons learned and conduct further study on emerging good practices. The following are some of the ways in which various actors and stakeholders disseminate and use evaluation findings and reports:

**Dissemination by the evaluation manager:** The evaluation manager formally submits the report to the same group of people who provided comments on the draft report, and any other stakeholders identified throughout the process or suggested by project management.

**Project management:** Project management should identify any further interested clients of the evaluation from outside the stakeholder groups, such as, UN partners, national partners, international partners, beneficiaries of development support, the wider global community, etc.

**ILO responsible officer:** Ensures adequate follow-up to the recommendations and may initiate meetings to share lessons learned within their technical area and the ILO Constituents, with links on their public and intranet websites.

**Constituents:** Recommendations aimed at constituents are to be followed-up by line management to ensure that the necessary action(s) is implemented. Each year, the Annual Evaluation Report identifies the number of recommendations that target constituents and their status of implementation (completed, partially completed, no action taken, action not yet taken, rejected or not applicable) which is derived through the management response to evaluation recommendations exercise.
Regional dissemination: Depending on the budget, the report could be published in the local language and highlighted on regional or national websites or communities of practice.

Media: Potential events organized to profile the evaluation and circulate the findings might include:

- Brown bag lunches, webinars, formal or informal discussion groups
- Newsletters and information briefs on websites
- Intranet, web blogs, communities of practice
- Post-evaluation learning workshops

Follow-up to the evaluation recommendations: The final action on an evaluation report is the initiation of the management response follow-up to recommendations. This strengthens the use of evaluation findings, promotes organizational learning and accountability for evaluation results, and thereby contributes to improved programme and project design and delivery. This exercise also aims to increase stakeholder and management buy-in to the findings, to facilitate in-depth dialogue about evaluation results, and to ensure follow-up of agreed recommendations through formal processes.

Further guidance:
- Guidance Note 5.1 Enhancing use and dissemination
- Guidance Note 5.3 Using i-eval Discovery

4. EVALUATION CAPACITY DEVELOPMENT (ECD)

UNEG norms and standards state that attention must be paid to developing the evaluation capacity of stakeholders so that they can be full participants in the evaluation process. The primary methods that EVAL uses to promote stakeholder evaluation capacity development are by providing training and information.

Examples of recent capacity development activities initiated by EVAL include the creation of a resource kit containing evaluation guidelines, guidance and tools, and the development of evaluation training modules that can be used in workshops for constituents, targeting in particular the evaluation of the decent work agenda in the SDG era. These products can be made available to constituents upon request by emailing eval@org.