



ILO EVALUATION

Evaluation Title: Inclusive Market Development for Decent Work – the Lab (M4DW – the Lab)

ILO TC/SYMBOL: GLO/13/15/SWI

Type of Evaluation: Final independent evaluation

Country(ies): Global programme with country activities

Date of the evaluation: June-August 2017

Name of consultant(s): The Palladium Group-Research, Monitoring and Evaluation Unit. Consultants: Andrew Koleros, Arqam Lodhi, Coralie Blunier

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CHF 2,788,847

Name of Evaluation Manager: Anjali Patel

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Key Words: Market Systems Development, Decent Work, Job Creation, Knowledge Generation, Value Chains, Inclusive Markets

This evaluation has been conducted according to ILO's evaluation policies and procedures. It has not been professionally edited, but has undergone quality control by the ILO Evaluation Office.

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Abbreviations and Acronyms

BEAM	Building Effective and Accessible Markets
DAC	Development Assistance Committee (for OECD)
DCED	Donor Committee for Enterprise Development
DFAT	Department of Foreign Affairs and Trade
DFID	Department for International Development
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
IFC	International Finance Corporation
ILO	International Labour Organisation
ITC	International Training Centre of the ILO at Turin, Italy
MRM	Monitoring and Results Measurement
SDC	Swiss Agency for Development and Cooperation
SECO	Swiss State Secretariat for Economic Affairs
SIDA	Swedish International Development Cooperation Agency
ToC	Theory of Change
USAID	United States Agency for International Development
WBG	The World Bank Group

Executive Summary

Background and 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 impact¹. 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

¹ 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

Main Findings and Conclusion

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 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

Findings from the final independent evaluation 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 with other ILO units and organisations within its network to mainstreaming this approach within and outside the ILO.

Recommendations

Based on these conclusions, the evaluation team recommends that the Lab should:

- ❑ More **narrowly define key objectives** in the subsequent phase that are feasible and realistically achievable to be able to successfully achieve its desired impact.
- ❑ **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.
- ❑ **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.
- ❑ **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.

Based on these findings, 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:

- ❑ **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.
- ❑ **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.

Project Background

Objectives

Inclusive Market Development² has become an increasingly popular approach for pro poor private sector development. There is mounting evidence that a systemic approach can help addressing key underlying constraints in market systems in support of development goals like job creation³. There is however still a lack of knowledge of which interventions are most likely to have the largest returns in terms of job creation. Not enough is known about the sectors in which employment growth is generated and about how to enhance job creation and working condition improvement effects in these sectors.

Market Systems Development for Decent Work was a four-year ILO project that aimed to generate practitioner knowledge about market systems development in targeted sectors that could lead to creation of more and better jobs. In addition to addressing the missing gaps identified above, it also focused on measuring impact of these systemic changes and enhancing national capacity to build and facilitate market systems. Also known as 'The Lab', the project was funded by the Swiss State Secretariat for Economic Affairs (SECO) and had the following three objectives:

- ❑ **Objective 1:** Strengthened value chain selection and analysis to maximise labour market impacts. Under this objective, the lab aimed to a) improve the quality of value chain analysis to focus on identifying and understanding the reasons why the market system is not currently performing to 'create' more and better jobs, and b) help ensure that sector selection focuses on those sectors that are labour-intensive, have a high reliance on wage labour, and can create jobs that are accessible to poor and vulnerable groups.
- ❑ **Objective 2:** Improved results measurement focusing on both the quality and quantity of jobs. Under this objective, the lab aimed to contribute to practitioner and industry understanding about how to practically but rigorously measure both the 'means' (how systems are changing) and the 'ends' (more and better jobs) of impact.
- ❑ **Objective 3:** Embedded national market system facilitation capacities. Under this objective, the lab aimed to pilot ways in which to transfer facilitation competencies to key national stakeholders, helping a) leave behind facilitation capacity in national project staff and consultants b) provide a transparent *means* for governments to examine the overall market systems and their own role in helping developing them.

Collaboration, creating synergies, and conducting joint activities with field projects and other learning hubs was critical to the success of the lab. These constituted two additional cross-cutting work streams:

² There is a range of different terms to describe inclusive market development, most prominently the M4P concept as described in www.m4phub.org. See also Annex 3

³ See www.enterprise-development.org/page/framework-new-firms-employment for some of the latest evidence

- ❑ **Building partnerships and networks.** The lab aimed to add value to the work of other knowledge hubs on market systems development, through the lab's niche role as practitioner-driven and decent work-focused knowledge project.
- ❑ **Knowledge sharing.** The lab actively disseminated knowledge products to internal and external stakeholders through a variety of face-to-face and online platforms. The lab staff participated in key networks and events outside the ILO (such as BEAM, LEO, DCED and SEEP) in order to raise the visibility of the lab's work and reach out to a wider practitioner audience.

Organizational Arrangements

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. Given there was a significant overlap in the scope of work of Value Chain and Market Development sub-unit and the Lab; the entire team 6 professionals of the sub-unit except one technical expert was part of the Lab, and was led by Merten Sievers, who is also the Coordinator of Value Chain and Market Development sub-unit. In addition to leadership and management staff, the team comprised monitoring and results measurement specialist and technical officers for support projects.

Lab's Activities and Major Milestones

The Lab's activity plan was structured around its 3 core objectives described in detail in the earlier sections of this report. Each of these objectives had a set of different outputs as mapped in the table below, with distinct activities under each output. These activities produced a combination of project specific products, including case studies, MRM Manuals, results chains, market assessments, evaluation documents and sector selection guidance notes, as well as market systems development approach focused products such as an extensive literature review, briefing papers on important thematic issues and training materials. Overall, these outputs generated a reasonably effective combination of tangible products as well as technical assistance aimed at achieving the overall impact of the Lab as well as its three objectives.

Objectives	Outputs
Objective 1: To improve situational analysis of projects before the start of interventions leading to a sector selection that has real potential for high and sustainable labour market impacts	Literature review on labour market impact of inclusive market development projects and interventions:
	Sector selection guidance note for field projects
	Selection of 5 partner field projects
Objective 2: To provide value added services to a portfolio of 5 projects working in the area of	Monitoring and Evaluation system for M4DW and for co-investing projects established

inclusive market development helping them to (1) address the job creation attribution gap and (2) find out more about the quality of jobs created	Working condition Briefing papers developed and tested in field projects
	2 Evaluation clinics run by project
Objective 3: To create market facilitation capacity in national institutions and share lessons learned	Lesson learned disseminated
	Training material developed and pilot tested

Each of the outputs listed above entailed a combination 3 activities: knowledge production and dissemination, capacity building and technical support for projects. A quick reference list of all key activities conducted by the Lab is given below.

Knowledge Production and Dissemination

- ❑ Published 2 global guidance documents on [Value Chain Development for Decent Work](#) and [Sector Selection](#).
- ❑ Published 2 case studies learning from market systems approaches to productive employment in [Timor-Leste](#), and youth employment in [Mombasa, Kenya](#).
- ❑ Shared knowledge through a series of [webinars](#), [blogs](#) and [conference presentations](#) attended by over 1,000 policymakers and practitioners.

Capacity Building

- ❑ Developed two training courses on [jobs measurement](#) and market facilitation in collaboration with ITC at Turin.
- ❑ Developed an interactive, online [game on market facilitation](#).
- ❑ Trained 375 attendees from projects' staff and national stakeholders through different training and capacity building activities such as webinars, half-day focused trainings or multi-day trainings.

Technical Support for Projects

- ❑ Delivered market systems solutions to improve working conditions in [Peru's wood furniture sector](#): Catalysing public investment in workplace safety schemes which will potentially cover over 13,000 workers in 3,600 (primarily micro-) enterprises.
- ❑ Supported the SCORE programme in India to pass an audit and Yapasa programme in Zambia to do a pre-audit against the DCED Results Measurement Standard – and conducted sector selection for SCORE in Peru to ensure interventions were targeted for maximum impact potential.
- ❑ Worked with projects in [Zambia](#), [Dominican Republic](#) and India to target supply chain investment for more and better jobs: identifying concrete 'win-win' interventions to improve occupational safety, social protection coverage and decent wages

- ❑ Supported 3 evaluations to unpack the jobs impact for youth soybean farmers in Zambia, horticulture outgrowers in Timor-Leste, and cooperatives in Rwanda.
- ❑ Enabled projects in [Zambia](#), [Peru](#), [Afghanistan](#), [Mozambique](#), [Mexico](#), [Zimbabwe](#) and [Tanzania](#) to select sectors, conduct market systems analyses and understand market incentives driving poor working conditions. Sector selections and market analyses in Afghanistan and Tanzania were performed with a focus of gender inclusivity.

Evaluation Background

Purpose and Primary Use of the Final Evaluation

As the final and 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.

In order to respond to the Terms of Reference (TORs) for this evaluation that are given in Annex A, a rigorous assessment was conducted 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 impact⁴. An effort has also been made to identify useful lessons that can be adopted in the second phase of the project. Specifically, this evaluation aimed to:

- ❑ Determine the progress made by the project within each of the three objectives.
- ❑ Assess the progress made against the recommendations given from the Mid-Term Evaluation and build on its key findings.
- ❑ Identify good practices and lessons learned that would contribute to enhancing the adoption of a systemic approach in the ILO's portfolio of value chain development projects.
- ❑ Provide recommendations on what should be incorporated in the planned Phase II and other projects of this nature based on practitioner needs.
- ❑ Assess the lab's contribution towards a global practitioner knowledge-base, drawing on examples from in country activities.

⁴ 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

Scope of Evaluation

Given this is the Final Independent Evaluation of the Lab, the final analysis covers the entire lifecycle of the project from its inception in 2014 to finalisation of Phase I in 2017. The main clients of this evaluation are:

- ❑ Evaluation Unit of the ILO
- ❑ The Lab's team in particular, and other concerned teams within Enterprises Department at the ILO in general
- ❑ The primary donor of Lab's work i.e. SECO

This may be of interest to other key actors within the community of practice of market systems development.

Evaluation Criteria

The evaluation followed OECD's Development Assistance Committee (DAC) set of criteria to serve as guiding principles in determining the extent to which *The Lab* was relevant and suited to the needs of the recipients and donor; that it fulfilled its objectives, with efficiency and effectiveness; and that it ultimately generated positive and sustainable change.

For each of the Lab's three core objectives the evaluation systematically assessed the extent to which the project met the following criteria:

- ❑ **Relevance:** the extent that objectives of the project were consistent with beneficiaries' (ILO and non-ILO market development practitioners) requirements, and relevant to country needs, global priorities and partners' and donors' expectations. In addition, relevance relates to whether the project results or approach were strategic and played to the comparative advantage of the ILO;
- ❑ **Effectiveness:** the extent to which the project's immediate objectives were achieved, or are expected to be achieved, taking into account their relative importance;
- ❑ **Impact and Sustainability:** the project's contribution to broader, long-term, sustainable development changes. This includes the likelihood that results of are durable and can be maintained or even scaled up and replicated after *the Lab* has been completed.
- ❑ **Efficiency:** the extent to which the project delivered its outcomes and outputs with efficient use of resources (including management arrangements), including efforts/successes in soliciting private public partnerships for the most cost-effective implementation of activities. This will include the extent to which the resources available were adequate for meeting the project objectives.

Evaluation Questions

In accordance with the evaluation objectives and DAC evaluation criteria, and based on the original ToRs provided by the ILO, the evaluation analysed the available data to answer some of the following evaluation questions. These questions were used to guide development of interview guides for key informant interviews.

1. Relevance and strategic fit:

- 1.1. Were the objectives of the Lab consistent with beneficiaries' requirements (ILO and non-ILO practitioners), global, partners and donors' priorities?
- 1.2. Did the project help ILO in establishing a comparative advantage in the knowledge base for systematic measurement of quantity and quality of jobs created?
- 1.3. Was the original project strategy, objectives and assumptions appropriate for achieving planned results?
 - 1.3.1. How was this strategy developed? How effectively did it work?
 - 1.3.2. Retrospectively thinking, what should be changed about this strategy?
 - 1.3.3. What improvements can be made in the strategy for the Lab's Phase II?

2. Progress and effectiveness:

- 2.1. To what extent did the project achieve its objectives and successfully reach its target groups (both ILO and non-ILO practitioners) according to the results framework?
- 2.2. Concerning wider development practitioners, how far did the ILO add value to debates on systemic jobs impacts? How well did the Lab leverage its network and those from other knowledge hubs/platforms to disseminate knowledge and work?
- 2.3. To what extent did the project have an impact on how the enterprise development portfolio of the ILO positioned itself to monitor and measure its results (to 'prove' impact, but, more importantly, to adaptively 'improve' impact?). What were the challenges faced (if any) by the project, in impacting on this?
- 2.4. What obstacles did the project encounter in project implementation? What recommendations could be considered for Phase II and/or future projects of a similar nature?
- 2.5. How did the ILO and non-ILO field projects use the knowledge (evidence/tools/approaches) from the Lab and what were the results observed?
- 2.6. What design and implementation lessons can be learned for the Phase II of the project?

3. Impact orientation and sustainability:

- 3.1. How effectively did the project embed national ownership and capacity of MRM systems and a systemic approach to enterprise development?
- 3.2. How did the ownership of MRM systems and systematic approach to enterprise development manifest itself in the work and practices of key market players i.e. state, workers and employers?
- 3.3. Was there recognition of a good knowledge base in the ILO on using M4P in and around jobs and job quality?
- 3.4. Did the project reach sufficient scale and depth to justify the donor investment?
- 3.5. To what extent was there scope for up-scaling or replication of a market systems approach and MRM in the ILO, beyond the end of the Lab (after phase II)?

- 3.6. What kind of changes should be made to the Lab to maximise its impact and sustainability for phase II considering that phase II will be the final and exit phase of the Lab?
- 3.7. What, if any, possibilities are there for the Lab to collaborate with other such initiatives and donors in advancing knowledge around measurement and maximisation of jobs impact? Were any such opportunities pursued during the lifecycle of the programme?

4. Efficiency

- 4.1. How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives?
- 4.2. How successful was the project in soliciting partnerships in supporting the project implementation and the beneficiaries?
- 4.3. What was the overall cost-efficiency of the project?

5. Effectiveness

- 5.1. How effective was the management and governance arrangement of the project? Was there a clear understanding of roles and responsibilities by all parties involved?
- 5.2. Was the project receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field and the responsible technical units in HQ?
- 5.3. How effectively did the project management monitor project performance and results? Was there a monitoring & evaluation system in place and how effective was it? Was relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?
- 5.4. Were the targets and indicators sufficiently defined for the project?
- 5.5. How have the recommendations from the mid-term evaluation incorporated into the project?

Conceptual Framework and Methodology for Evaluation

Evaluation Framework

Based on the detailed evaluation questions provided above, the evaluation framework described the type of data required to answer each evaluation question and the specific methods which were used to gather these data. It also provided a mapping of how the data and methods for each question responded to the overall project objectives. The detailed evaluation framework has been shared separately.

Methodology

This section outlines the specific data collection and analysis methods which were used to answer evaluation questions and produce the overall evaluation final report.

Data Collection

In line with the evaluation framework the following primary and secondary data collection methods were used in order to gather the relevant data required to answer the evaluation questions: **1) desk review and data extraction** and **2) semi-structured interviews**.

Desk Review & Data Extraction

The desk review generated relevant evidence to answer the evaluation questions against each core objective of the project using the evaluation framework presented above. It involved extracting the relevant data from secondary sources, provided by the ILO, and obtained through the Lab's website and other sources such as relevant project websites (e.g., BEAM Exchange), identified by the evaluation team. In total, more than 25 documents were reviewed, list of which is provided in Annex B.

A specific data extraction matrix was developed to systematically extract and organise data against each evaluation question from each data source. This was led by the Research Associate with quality assurance from the Evaluation Manager.

Semi-structured Interviews

Following the desk review the evaluation team undertook a series of semi-structured interviews with key stakeholders in order to generate additional data to answer evaluation questions. This method was chosen to allow for the interviewers to have the opportunity to ask follow-up questions and receive in-depth responses from the wide variety of participants.

Individual interviews were conducted both in person in the ILO headquarters in Geneva and over the telephone with the field teams. The list of interviewees provided by the ILO included project staff, representatives from field projects, and consultants, both internal and external, as appropriate. Meetings were scheduled in advance of the mission to Geneva by the ILO, in accordance with the evaluator's requests and consistent with the final terms of reference.

The evaluation team used a snowball sampling approach to identify additional interviews. At the end of each interview, the evaluation team asked the respondent whether there were additional stakeholders who could provide additional knowledge on these topics. In the end, the evaluation team endeavoured to exhaustively cover all relevant stakeholders.⁵

The evaluation team developed a semi-structured interview tool for all interviews. The tool followed key themes from the evaluation questions and included relevant probes and prompts. Most of the interviews were led by the Evaluation Manager and some by the Team Leader.

⁵Where appropriate and relevant, the interviewees were asked to provide additional secondary data that could be added to the desk review and data extraction activities described above.

Interviews took approximately 30-45 minutes. It was ensured that all stakeholder interviews were consistent with the ILO guidelines for stakeholder engagement, including appropriate protocols for informed consent and confidentiality. The interview questions for each of the respondent were tailored based on the analytical framework, details of which are given in the next section. This framework served as the guideline for determining the right fit and relevance of the evaluation questions for the respondents.

The final list of interviewees is provided in Annex B. A total of 19 interviews were conducted, including the Lab and ILO staff based in Geneva.

Data Analysis

Data analysis largely followed a triangulation approach, weaving together primary and secondary and quantitative and qualitative data to robustly answer the stated evaluation questions. In addition to addressing the evaluation questions, the analysis also tried to distil insights into how projects that worked with the Lab integrated gender issues in their delivery approach and what aspects of this can be attributed to the guidelines and approaches developed or recommended by the Lab.

Qualitative data from semi-structured interviews was entered into MS Word and Excel following each round of data collection. Raw qualitative data was analysed using both grounded theory ⁶ and thematic approaches⁷.

Evaluation Activities

Evaluation activities were structured are the methodology described above. Key activities are listed below for reference:

Key activities and events	Dates
Kick-off Meeting with UN Evaluation	June 19 th , 2017
Secondary data review and analysis	June 24 th -July 14 th , 2017
Interview with key stakeholders	July 3 rd -July 17 th , 2017
Mission to Geneva and interviews with the Lab's team	July 17-18 th , 2017
Final De-brief to the Lab team	July 18 th , 2017
Analysis, report writing and submission of report draft	July 26 th , 2017

Methodological Limitations

The evaluation methodology employed a combination of document review and key informant interviews to generate a body of evidence to answer the evaluation questions. Given the nature of the Lab initiative in which it has collaborated with projects all over the globe, most of the interview

⁶ See for example, Walker, D. and Myrick, F. (2006). 'Grounded Theory: An Exploration of Process and Procedure. *Qualitative Health Research* 16(247)

⁷ This followed the logic of thematic analysis using ILO's outcome areas as pre-identified themes. See for example, Gregory, G. and Guest, S. (2012) *Applied Thematic Analysis*. Sage Publications.

discussions were conducted virtually using Skype or telephone. While it is tremendously helpful to hear directly from project partners and beneficiaries in different corners of the world, virtual engagements inherently come with certain limitations. Although an attempt was made to frame all interviews as conversations, the virtual engagement limits the degree to which respondents can be comfortable and candid in their discussion, which limit the level of information and depth of insights that can be acquired. In addition, it is practically impossible to detect non-verbal cues, which are quite important in such conversations and provide useful insights into the respondents' views on evaluation questions.

The timeline of the evaluation posed another key limitation. Market systems development is a complex approach that produces desired results through an interplay of systemic as well as actors' behaviour changes within the system. However, it takes time for these changes to materialise and be observed. With the final independent evaluation of the Lab following immediately after the end of the project, it is difficult to accurately answer some of the evaluation questions, particularly around the impact and sustainability of the programme or any of its activities.

Main Findings

This section is organised according to the main evaluation questions which guided the assignment. Each sub-section presents the overall findings, the specific evidence generated from the evaluation activities which support the finding and overall conclusions.

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.

In order to respond to this question, the requirements and priorities of stakeholders were mapped to the Lab's objectives using the 2 X 2 matrix below, based on the results of the document review and key informant interviews. In addition, several other potential users of the Lab's knowledge products were also identified through a review of different actors who are operating in the same space⁸.

Results of this analysis suggest that overall the objectives of the Lab's responded to the needs and priorities of current market system development projects for both internal and external beneficiaries. Conversations with DCED clearly indicated that given the significance of ILO's role in such projects, it is important for the ILO to have in-house capacity and intellectual capital to support these projects, an objective that is fulfilled by the Lab.

The objectives of the lab were also aligned with the demands for technical knowledge and expertise among internal stakeholders. For example, limited technical *know-how* has been identified to be one of the main issues⁹ in these programmes, creating a significant level of demand for the kind of knowledge products that the Lab produces. Key donors and implementing agencies such as GIZ

⁸ "[Who's Championing the Market Systems Approach](#)." BEAMExchange.

⁹ "[Consultation Report](#)." BEAM Exchange: 3 Oct. 2014.

and SECO also indicate increasing preference for using market systems approach to private sector development projects, with several on-going initiatives. In addition, this approach is now also being adapted to complex environments e.g. to deal with issues pertaining to economic rehabilitation of refugees and youth employment programmes. This analysis is consistent with larger trends in the private sector development community. As also noted in the Mid-Term Evaluation Report, there is an increasing trend, both within and outside the ILO, for utilising market systems approach in private sector development programmes that focus on employment generation.

The evidence, however was mixed in terms of external stakeholders where on one end of the spectrum different donors were actively pursuing systemic approaches to market development whereas on the other end of spectrum national actors were limited in their level of technical awareness to demand such expertise.

Stakeholders	Live projects utilising market systems approach	Demand for technical knowledge and expertise
Internal (ILO and other agencies in UN System including UNDP, UNIDO, FAO, IFAD, UNCTAD, ITC)	✓	✓
External (Wider donor community, Practitioners, Projects' Staff, Labour and Industries Ministries and other private actors)	✓	Mixed-level of Demand

Based on these findings, it was concluded that the Lab's objectives were directly aligned with the needs and priorities of both internal and external key stakeholders.

The Lab's emphasis on *decent work* in development of market system approaches to job creation created a comparative advantage for the Lab over other knowledge generation initiatives.

Despite a number of knowledge generation initiatives which exist for the market system development community, our evaluation was not able to identify any other initiative or knowledge hub that has an explicit reference or inclusion of Decent Work as part of their knowledge generation agenda. This focus responded to a real gap in the community.

For instance, during the course of implementation of Phase I of the project, Decent Work was included as one of the goals of the 2030 Agenda for Sustainable Development¹⁰, indicating its growing importance in this space. In addition, when asked to share some of the aspirations behind setting up the Lab, one of the respondents from SECO indicated that '*there appears to be an over emphasis on the creation of more jobs but no focus on working conditions or the quality of jobs created*'. This niche was widely acknowledged in other stakeholder interviews as well, suggesting a comparative advantage to the Lab and ILO in comparison with other initiatives.

This comparative advantage also added value to the ILO.

¹⁰ ["The ILO's Decent Work Agenda."](#) International Labour Organization

The unique position of the Lab within the organizational structure of ILO's Value Chain and Market Development sub-unit created additional advantages for the Lab and subsequently, the ILO through:

- (i) Provision of access to a wide range of relevant projects implemented in diverse contexts for collaboration, and
- (ii) Establishing credibility of the Lab's work.

Using access to projects, the Lab was able to pilot market systems approaches in some of them and used findings to create high quality knowledge products that were well received within the broader community of donors and practitioners. This institutional structure provided the ILO an edge to potentially produce more robust technical insights into market system approach to job creation and measurement.

While all three objectives were directly relevant to the Lab's intended impact, perhaps not all were a strategic fit given the level of ambition and resources of the Lab.

As described in the introduction section, the Lab had three over-arching objectives which can be largely summarised as i) strengthening sector selection and analysis, ii) improving results measurement, and iii) embedding national market system facilitation capacities. Taking a systems lens, all three of these objectives are certainly relevant to the Lab's overall aim of advancing practitioner knowledge about how to measure and maximise jobs impact through a market systems development approach. The first two objectives are directly relevant to maximising and measuring job impact on projects both within and outside of the ILO, respectively. The third objective acknowledges that transferring facilitation competencies to key national stakeholders will also help to leave behind capacity outside of a project context.

While all of these were relevant to achieving impact, the evaluation team determined that given the level of ambition required to achieve the third objective, perhaps this was not a strategic fit for the Lab or within its comparative advantage. Though market system development practitioners largely agree that national capacity to implement these approaches is a substantial challenge for many practitioners, building long-term capacity outside of a project context requires a significant human and financial resource commitment. The literature around capacity development recognises that it requires more than one-off trainings and provision of resources, but more ongoing accompaniment and supportive iterative approaches to building sustainable capacity. Additionally, given the background of the Lab and its defined mission, most external stakeholders perceive the Lab to be more of think tank and a thought leader as opposed to a delivery unit that is involved in capacity building. Given the structure of the Lab's team and resources available for implementation, the evaluation concluded that this third objective was less of a strategic fit than objectives 1 & 2, which were both consistent with a knowledge generation project and achievable given the budget and team structure of the Lab.

The strategy to pursue these objectives evolved overtime. In this context, the Lab demonstrated its ability to flexibly adapt and respond to changing contexts.

In 2011, the UN Value Chain Development Group identified¹¹ challenges across 7 UN agencies, including the ILO, in **internal knowledge management around value chain development**. This

¹¹ Stamm, Andreas, and Christian Von Drachenfels. "[Value Chain Development: Approaches and Activities by Seven UN Agencies and Opportunities for Interagency Cooperation](#)." (2011): International Labour Organisation.

recognised that though different UN agencies were conducting a range of value chain development activities, the market systems approach to value chain analysis was rarely used. This provides an important historical backdrop to the inception of the Lab within the ILO in 2013 and its original focus during its design phase.

From its inception to implementation, the Lab's emphasis remained largely around two core areas: rigorous monitoring and measurement of numbers of jobs created and their quality, and generating and disseminating technical knowledge on the use of systemic approaches in value chain interventions to maximise job outcomes. Although the project remained largely opportunity-driven on a year by year basis, the level of emphasis between these two areas was dependent on the needs of projects the Lab got to work with, the nature of opportunities and the experience and preferences of the Lab's leadership.

The process around selection of projects also played a key role in the Lab's engagement strategy, which was demand-driven. Most of the projects were self-selecting for support through different platforms. It was soon realized that there was a variation in quality of projects, with different projects requiring different kinds of support but also offering different potential for knowledge generation.

The Lab team effectively adapted to these situations through changes in the team structure and improvements in analytical capacity to effectively meet projects' needs and improve interventions. A case in point is Peru where the Lab had an on-going engagement with SMEs to improve productivity and working conditions. Based on a developing opportunity, it also launched action research to conduct a feasibility assessment for another project on forestry and furniture manufacturing which involved initial value chain analysis and study of wider systemic constraints. It is important to note that the Lab's leadership received support from the donor, which was open to design and staffing changes as a result of an evolving strategy.

Results chains could have been more effectively utilised to inform project strategy and implementation.

Given the Lab's approach was largely opportunity driven and how its engagement and operational strategy evolved over time, the results chain for the project, which was defined during inception, was not very effectively utilised in the Lab's own MRM system. It is only after the midterm review that the Lab began looking at its internal MRM system. Conversations with the Lab team confirmed that there is an internal recognition that it could have been used more effectively during the lifecycle of the project for both strategic planning and internal monitoring and results measurement purposes.

Progress and Effectiveness

There have been **varying levels of investment and success in the three key objectives.** The Lab has been most successful in achieving its Objectives 1 and 2, with limited success achieved in Objective 3.

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. There remains a high level of demand in projects, both within and outside the ILO, with immediate buy-in from key stakeholders. Conversations with the Lab team also suggest that there was a high-level of resource investment in collaborating with field projects. Of the 15 projects in ILO's portfolio of value chain

development valuing approximately USD 62 million, more than one-third of the portfolio by value of projects were directly supported by the Lab. The three current MSD projects including Yapasa, Road to Jobs and Mozambique have a combined value of USD 24.6 million. The engagement of the Lab on some of the largest programmes in this portfolio not only substantiates the finding of high demand for support but is also indicative of Lab's influence and reputation for technical expertise. A Client Survey conducted by the Lab team in April 2017 indicated an overwhelmingly positive response, with 79% of respondents (n=23) indicating satisfaction in collaborating with the Lab. Close to 80% of respondents indicated *Results Measurement* as one of the areas for collaboration with the Lab, compared with approximately 40% for sector selection and market analysis.

The Lab also demonstrated success in producing technical knowledge and working with projects to develop rigorous monitoring and results measurement systems. This objective is crucial to embedding a systemic approach to market development on projects. As also noted in the Mid-Term Evaluation and supported by conversations with ILO projects' teams, MRM was traditionally done during the projects' inception and wrap-up phases, with there being no systematic effort to gather data during the course of implementation. The institutional structure and lack of incentives presented critical constraints to the adaptation and sustainability of MRM on projects. While 80% of respondents from ILO projects viewed MRM as one of key areas of collaboration with the Lab, there was no institutionalised requirement for the projects to adopt and comply with MRM protocols. Though the assistance on this objective was appreciated by most of project respondents, it was also noted that the MRM protocols were taxing and in some cases, incompatible with ILO's existing reporting requirements, ultimately leaving it at the discretion of projects' management to adopt recommended MRM guidelines. However, most of the projects highly regarded the value added by new MRM systems that are still utilised to an extent on some projects.

As stated earlier, **creating national capacity for market facilitation was an ambitious objective for a 4-year project** that aimed to generate and effectively manage technical knowledge on systemic approaches to market development. As such, **there was limited success in sustainably building capacity within national stakeholders for market facilitation.** Although the Lab conducted in-country trainings, developed courses with ITC and discussed the idea for development of institutional assessment tool, the overall objective was overly ambitious and produced limited success against what it set out to achieve.

The Lab has been able to effectively reach out to key relevant stakeholders within donor and practitioner communities.

The Lab has been successful in establishing linkages and reaching out to both internal and external stakeholders. The annual workplans and progress reports clearly identified outreach targets and activities, and stakeholders for collaboration. Based on an analysis of how these planned activities build on achievements of each year and our conversations with a range of internal and external stakeholders, it is evident that the Lab's performance has been quite impressive in not just its outreach efforts but also in its ability to establish itself as one of the champions of the market system approach to value chain development and job creation. Other donors and knowledge hubs, ILO projects and practitioners have not only come in direct contact with the Lab through different events and platforms but most of them appear to have collaborated closely on some of its flagship activities.

The Lab has been successful in adding value and richness to the debates around job creation through market systems development approach

The quality and contribution of the Lab's knowledge products and activities has been universally appreciated by all respondents who have closely collaborated with the Lab. The technical insights generated through the Lab's engagements have been recognized to be of high quality, relevant and of significance to the key issues around market systems development and measurement of jobs quantity and quality, and have contributed to the richness of intellectual debates on these topics. The visibility of the Lab's work through collaboration with stakeholders or presentation at different forums such as the DCED's Global Seminar on Results Measurement, UN's Value Chain Development Group, Committee on Sustainability Assessment (COSA), USAID's Leveraging Economic Opportunities Project and the IDF Sustainable Trade Initiative underscore its reach and contribution in 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 establishment of wider credibility in relatively short time period. The degree to which this credibility effectively translated into systemic changes in ILO's portfolio of projects has been limited in Phase 1.**

There are variations and limitations to the Lab's influence in informing the design of job creation programmes within the ILO. A market systems approach to value chain development and job creation is a fairly recent innovation. While the Lab has been able to establish itself as a dynamic, adaptive and learning-oriented entity, the buy-in for systemic approaches within the ILO varied significantly across projects and units that the Lab worked with. Given the scale of operations and projects within the ILO, processes are well-defined and bureaucratic. While these processes may allow effective oversight of project operations and ensuring quality assurance across a huge portfolio of projects, they also permeate the approach through which projects are designed, making their design process less amenable to change and adaptation. Overall culture is driven by consensus with complex underlying political dynamics and limited receptivity to change and testing new approaches. While there may be no resistance in principle to new approaches, the limited flexibility in underlying support processes may also make it difficult for projects to adapt. In discussions with many of the respondents, one point that was significantly emphasized was the need for people to have a different and evolving skills set to operate in market systems development space. However, the ILO's recruitment process might make it difficult for projects to bring in required technical resources quickly enough to provide relevant support to projects.

However, despite these institutional challenges, being housed within the ILO also provided the Lab with some key strategic advantages. In addition to access to a portfolio of projects, ILO has provided the Lab with credibility and authenticity to establish itself as one of the few main knowledge hubs working in market system development space. This credibility is of significant value especially for niche and upcoming technical approaches such as market systems development. This institutional affiliation may also have enabled the Lab to be effectively plugged into the wider network of donors and funding entities that are increasingly adopting systemic approaches in private sector development programmes. However, what remains to be seen is how this credibility translates into systemic changes within the ILO in the long run.

Though this was not an explicit objective in the design of Phase 1 of the Lab, it became an implicit one during implementation. Though there are several institutional and organizational management challenges of which some are described above that have limited the extent of these changes, it

would be important in a next phase of the Lab to more explicitly define its strategy for bringing about systemic changes within the ILO to make its impact sustainable.

Impact and Sustainability

The Lab has been **able to effectively embed itself within the wider donor community** pursuing a job creation agenda through a market systems development approach. It has also successfully created **credibility with other major long-term initiatives**.

The Lab has established good working relationships with key regional as well as some international donors that are implementing initiatives using market system approaches. This is evident through two key developments: (i) The Lab is now **part of the Market Systems Development Working Group**¹² which was recently established to build on the work of BEAM Exchange and will be based within DCED. This working group comprises representatives from all the major funders and pioneers of utilising market system development approach including DFID, SIDA, WBG, Gatsby Foundation, BEAM Exchange, DFAT, SDC, MasterCard Foundation, ADA and USAID. (ii) In addition to working on ILO projects, the **Lab has collaborated with projects funded and managed by SECO, SIDA and IFC**. This high level of engagement indicates that the Lab has not only established in-roads into the wider donor community but is also recognized as one of the thought leaders in market systems with the ability to influence policy debates at high-level forums.

The Lab has been equally successful in establishing effective partnerships with other initiatives and has conducted several activities through a collaborative arrangement. In addition to having an opportunity to present at most of the key forums such as the Annual Conference of the SEEP Network and DCED Annual Meeting, the Lab has also engaged with these initiatives through other channels such as publishing blog posts, organizing training programmes, one-day Market Systems Development events at the ILO in Geneva and holding joint webinars. The conversations with other practitioners and respondents from these initiatives also indicate that the Lab is taken as a very serious contributor and a thought leader in systemic approaches to job creation and measurement, with a recognition of the value added by an emphasis on quality of jobs. The latter has been identified as a gap in existing knowledge base on job creation and measurement that is being taken on by the Lab. Another metric of credibility of Lab's work and its openness to collaborate is the willingness of other initiatives to host Lab's work including knowledge products and blogs on their web platforms.

In certain situations, the Lab's approach to engaging field projects on market systems development could have been better adapted to the existing implementation and reporting protocols at the ILO, and operational context of projects.

The Lab could have further refined its mode of engagement with the field projects to ensure that the orientation and application of systemic approaches was done in a way that factored in technical capabilities within the field project team and its context. While all the respondents from some of the major ILO field projects who were interviewed for this evaluation found the Lab's input to be useful,

¹² "[Market Systems Development Working Group](#)." The Donor Committee for Enterprise Development (DCED). June 2017.

relevant and of high-quality, it was emphasized that the change process from a traditional to systemic approach to market development could have been improved and/or managed more effectively.

This also underlines the fact that market development projects within the ILO are accustomed to traditional design and implementation processes that take a solution-driven approach, utilising standard toolkits and building local capacity. Transitioning to a more systemic way of identifying problems, unpacking their underlying causes and designing flexible and adaptive interventions that tackle these causes also require a mindset shift within the project staff. While there is an increasing level of buy-in and interest at the project level, the impact of embedding these approaches will be more sustainable if done in a way that recognises systemic constraints within the ILO as well as the country context in which the project is operating.

It's still too early to understand the scope of long-term and more sustainable impact of the Lab's activities.

Systemic approaches to market development take a long time to produce discernible impact. While some changes might be immediate, it takes time in order for these systemic changes to lead to creation of more of decent work opportunities, it will take a long time. Given the timeframe of the Lab's activities, it is too soon to attribute any impact achieved by some of the projects to the approach embedded by the Lab.

Efficiency

The Lab team has efficiently utilised resources and networks to build an influential intellectual footprint within the market system development space.

The Lab team has been universally acknowledged to be dynamic and very efficient. In almost all the interviews that were conducted with ILO field projects or other external stakeholders who have come across the Lab through different engagements or events, one common underlying theme in those conversations was the way the Lab has been able to operate in a dynamic, adaptive and efficient manner to produce very high-quality knowledge products, engage directly with some of ILO's large-scale flagship programmes while also creating an effective and influential network in a short time period. While there is not enough data available to systematically determine and establish the value for money for different activities conducted by the Lab in Phase I, it is safe to suggest that the Lab has efficiently utilised its resources available to establish a significant intellectual footprint in the space of market systems development. Two specific instances that underscore the efficiency of the Lab team are (i) the collaborative and synergistic approach it has taken to maximise its impact and make it sustainable through close partnership with other initiatives and donors, and (ii) additional resources it was able to raise through other sources to finance and produce some good quality work.

Having a small but lean and efficient team has allowed the Lab to develop an impressive and high-quality portfolio of activities and outputs.

The Lab's management structure revolved around the agility of a small team. The ability to not just produce high quality relevant technical products but also through efficient utilisation of resources and building partnerships is quite an achievement for a small team. A key aspect of the Lab's management structure that helped in these achievements was the size of and flexibility within the team that allowed the team members to establish relationships with projects and key stakeholders

within the network and mobilise quickly to provide in-country support. The latter was particularly appreciated by one respondent during the interview, where it was specifically highlighted that the Lab team was responsive and provided in-country support despite fragile security situation in-country. Lab's team performance, therefore, has been a key element in successful implementation of Phase I.

Follow-up from Mid-Term Evaluation

The Mid-Term Evaluation of the Lab that was conducted by Mesopartner in February-March 2016. It also followed a similar criteria as the one adopted for this final evaluation, with a similar set of evaluation questions. This overlap has allowed the Final Evaluation to not only gauge progress on the recommendations of Mid-Term Evaluation since it took place, but to also cross compare some of the key findings from both evaluations. Findings from the Final Independent Evaluation are fairly consistent with those of Mid-Term Evaluation. 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.


The Lab team implemented key recommendations including development of a comprehensive communications strategy and creating synergies with other initiatives through connecting ILO projects for additional technical support. As noted in its progress reports, the Lab also appeared to have made concrete efforts to create a pipeline of projects, both within and outside the ILO, for its Phase II. These opportunities for collaboration and technical support identified were also made part of the Project Document for Phase II of Lab, underscoring the seriousness of Lab's efforts to take action on recommendations from the Mid-Term Evaluation.

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 with other ILO units and organisations within its network to mainstreaming this approach within and outside the ILO.

Conclusion & Recommendations

Based on the analysis of available evidence and emerging findings to evaluation questions in previous sections, the following recommendations are being put forward. These recommendations are given in order of importance (High to Medium) under **each category**. Given Phase II will be the final cycle of the Lab, all these recommendations are considered of either high or medium importance.

Taking a systemic approach to design and delivery of Phase II

 **[High Priority]** In order for the Lab to be able to efficiently utilise its limited human and financial resources in Phase II, **the Lab team should narrowly define its key objectives** that are

feasible and realistically achievable. This should ideally be done during the design and inception period of Phase II. Given the experience of Phase I, there will be a **trade-off between the breadth and depth of impact** i.e., whether the Lab wants to diversify and engage in multiple activities as done in Phase I or build on its achievements to develop a more targeted action plan focusing on a limited set of key objectives where it can have sustainable impact.

Given the performance and experience of Phase I and resources available in Phase II, the Lab should focus on Objectives 1 and 2, with an emphasis on knowledge generation and its dissemination and adoption through wider networks of other knowledge hubs and international agencies.

- **[High Priority]** **The Lab team should take a more systemic approach to design and delivery** of Phase II. Spanning the entire lifecycle of Phase II, this will involve identifying key actors within and outside the ILO that it aims to influence, analysing the relevant systemic constraints that inhibit these actors' ability to adopt systemic approaches to creating decent work, and designing interventions in collaboration with other actors in the network that help alleviate these constraints.

To elaborate, such constraints might include asymmetric access to the technical knowledge produced by the Lab, intrinsic and extrinsic motivations of staff to use systemic approaches that are inadequately addressed, formal and informal rules governing programme design, implementation and evaluation that don't incentivise adoption of market system development approaches and lack of right technical skills. Systemic approach to designing and delivering Phase II would involve focusing on interventions that address some of these systemic constraints. Example of one such intervention would include addressing constraints related to knowledge sharing and dissemination within the ILO, determining if the existing knowledge management system and protocols are sufficient to reach the right actors, and instituting alternative channels to disseminate Lab's work. Another example of such intervention would potentially introduce an additional filter through which relevant project proposals are reviewed internally within the ILO for including market system development approaches, similar to their review for gender and social inclusion. This might enable the Lab to ensure that its approaches are more sustainability integrated into ILO systems. While it is recognized that instituting high-level changes within the ILO will be beyond the realm of Phase II, it will be crucial to identify alternative avenues through which incremental changes can be made.

- **[Medium Priority]** Given the size of the team for Phase II, **the Lab team should leverage its existing 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. A key consideration in this will be to systematically analyse different actors by their level of influence, existing networks and organisational resources that can be used to institute long-term changes which promote market systems development. This has already been demonstrated through membership of BEAM Exchange's Market Systems Development Working Group as discussed earlier. Focusing on international agencies and platforms such as this that have institutional credibility, in-country networks and most importantly the drive to embed market systems approaches would be most effective for the Lab to disseminate its work and institutionalise systemic approaches in programmes.

Strategic changes for maximising impact and sustainability

- [High Priority] It will be **crucial for the Lab team and its leadership to make it more mission-driven and guided by its objectives**, but which is also flexible and adaptive in its approach to achieving those objectives. Given the experience in Phase I in which the Lab's strategy evolved to adapt to organizational and team changes, having a mission-driven and focused approach to implementation will help in efficient implementation, with possibly sustainable impact.
- [Medium Priority] To institutionalise the Lab's thinking and approach within the ILO to drive impact, potential for **organisational re-engineering within Enterprise Development Unit of ILO** should be explored. This is likely a long-term recommendation for the ILO and Enterprise Development Unit. If the Lab is focused on its key objective of knowledge generation, it can work with other sub-units to institutionalise those approaches within the ILO and use their resources to provide technical backstopping support to the field projects. The permanence of sub-units such as the Value Chain and Market Development within the Enterprise Department provide a unique opportunity to embed key principles of market systems approaches in all relevant projects beyond the lifecycle of the Lab and create a long term source of expertise to support projects in these endeavours.

Creating an environment for learning and evidence-driven design

- [High Priority] In order to **create a culture of learning within the Lab through effective monitoring and results measurement**, the Lab team should develop a robust and realistic results chain. In addition to helping the Lab identify its key objectives and the strategy needed to achieve them, it can be used to develop a monitoring and learning system within the programme and will instrumental in evidence-based adaptive programming throughout its lifecycle.
- [High Priority] The Lab team should use **results chain to adapt and recalibrate the Lab's design** based on how the key assumptions hold during project implementation and robustness of the causal impact pathways.

Key Lessons Learned

A robust M&E System is crucial to drive evidence-based learning and adaptation: In order for the project to be able to monitor its progress, determine its strategy and assess its trajectory towards the intended impact, a robust monitoring, evaluation and learning system is crucial. In a resource-constrained environment where there are competing priorities and multiple pathways to success, a robust M&E system will allow the project to make evidence-based decisions to detect and rectify early failures and evaluate the effectiveness and relevance of its activities in complex and rapidly changing environments. This lesson was learned both on the projects the Lab supported as well as within the Lab itself.

Behaviour change is complex and takes time: Systemic approaches to market and value chain development are complex. In order for people to be able to adopt this 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 (e.g., what drives these behaviours). In order for their current behaviours to change, it will require targeted interventions that can influence

either or all of these traits for their behaviour to change. This is true both of projects as well as the institution of the ILO itself.

Annexures

Annex A: Terms of Reference



International Labour Organization

Terms of Reference

Final Independent Evaluation of ‘Market Systems Development for Decent Work – the Lab’

INTRODUCTION AND RATIONALE OF THE EVALUATION

The ILO is currently implementing a global project on ‘Market Systems Development for Decent Work’, also known as the lab (www.ilo.org/thelab). The four year project with a budget of CHF 2,788,847, funded by the Swiss State Secretariat for Economic Affairs (SECO) began its implementation in late 2013 with the aim of advancing practitioner knowledge about how to *measure* and *maximise* jobs impact through a market systems development approach. It:

- Helps projects set up better monitoring systems using the DCED Standard, and to understand the impact they are having on jobs.
- Explores how working conditions can be improved through intervening in value chains;
- Determines how to best select sectors to intervene in to create more and long-lasting employment in future

Phase 1 of the Lab will conclude implementation in September 2017, thereby calling for a Final Independent Evaluation as per the International Labour Organisation’s (ILO) strategic practice of ensuring that projects and programmes are adequately evaluated. An internal mid-term evaluation was conducted by an external evaluator and will serve as one of the key reference documents. The findings, conclusions and recommendations from this Final Evaluation will provide invaluable lessons learned and good practices to take forward for a potential second/final phase of the Lab project. It is anticipated that Phase II will commence in November 2017.

BACKGROUND AND OBJECTIVES OF THE LAB

Inclusive Market Development¹³ has become an increasingly popular approach for pro poor private sector development. There is mounting evidence that a systemic approach can help in addressing key underlying constraints in market systems in support of development goals like job creation¹⁴. There is however still a lack of knowledge of which interventions are most likely to have the largest returns in terms of job quality and quantity. Not enough is known about the sectors in which employment growth is generated and about how to enhance job creation and working condition improvement effects in these sectors.

The knowledge gaps also include issues around how to best select those market systems¹⁵ and value chains that can create more and long-lasting employment in the future¹⁶, but also the circumstances under which a “business argument” can be made for the improvement of working conditions.

The Lab was designed to address these gaps as a research and knowledge generation project to produce knowledge products on the labour market and decent work effects of inclusive market development projects of which the results are beneficial to all practitioners working in this area.

The lab has three core objectives:

- Objective 1: Strengthened sector selection and analysis to maximise labour market impacts

The lab aimed to a) improve the quality of value chain analysis to focus on identifying and understanding the reasons why the market system is not currently performing to ‘create’ more and better jobs, and b) help ensure that sector selection focuses on those sectors in which sustainable and scalable jobs impacts are achievable and can create jobs that are accessible to poor and vulnerable groups.

- Objective 2: Improved results measurement focusing on both the quality and quantity of jobs.

The lab aimed to contribute to practitioner and industry understanding about how to practically but rigorously measure both the ‘means’ (how systems are changing) and the ‘ends’ (more and better jobs) of impact. Clear theories of change were to be developed, based on the DCED Standard, which link interventions in value chains to impact on jobs, in order to better understand whether market systems are truly changing for sustainable outcomes.

- Objective 3: Embedded national market system facilitation capacities.

The lab aimed to pilot ways in which to transfer facilitation competencies to key national stakeholders, helping a) leave behind facilitation capacity in national project staff and consultants b) provide a transparent means for national stakeholders (market actors and development projects) to examine the overall market systems and their own role in helping developing them.

The success of the lab is/was dependant on both *generating* and *sharing* knowledge about measuring and maximising jobs impact. Therefore collaboration, creating synergies, and conducting

¹³ There is a range of different terms to describe inclusive market development, most prominently the M4P concept as described in www.m4phub.org. See also Annex 3

¹⁴ See www.enterprise-development.org/page/framework-new-firms-employment for some of the latest evidence

¹⁵ On the definition of market systems see www.ilo.org/valuechains and Annex 3

¹⁶ While there is range of resources on how to select sectors for value chain development, there is little on how to do this specifically for employment generation and on how to compare the sectors. This includes questions around future market potential scale and sustainability

joint activities with field projects and other learning hubs is critical to success. These constitute two additional across-cutting work streams:

- **Building partnerships and networks.**

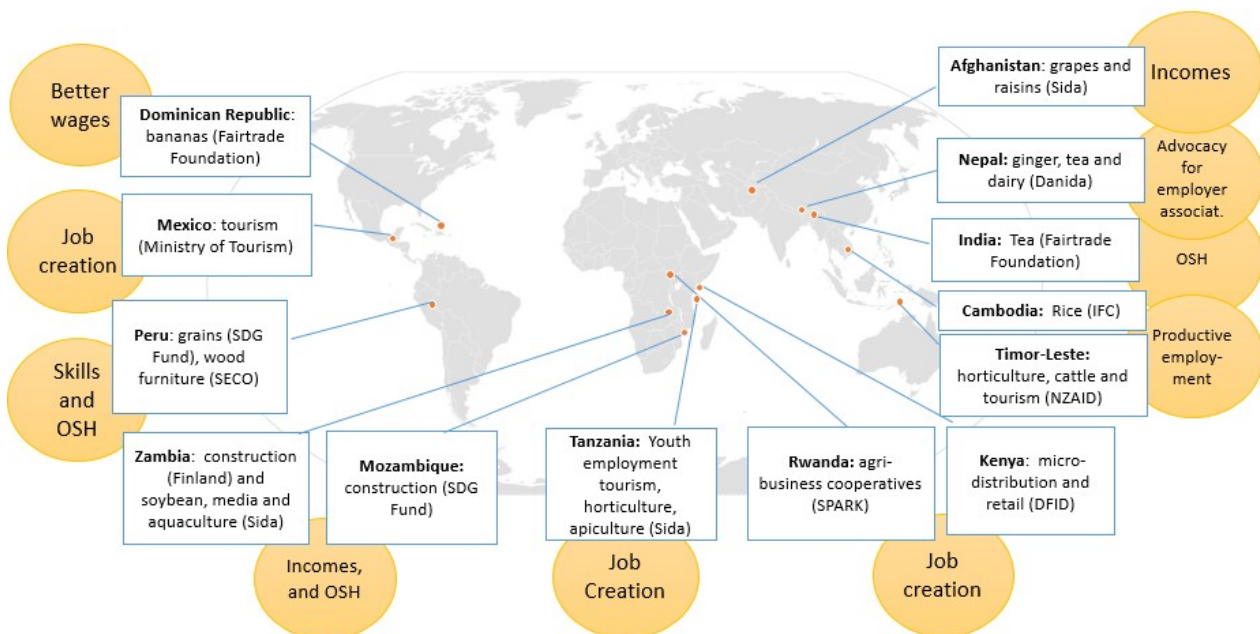
The lab aimed to add value to the work of other knowledge hubs on market systems development, through the lab’s niche role as practitioner-driven and decent work-focused.

- **Knowledge sharing**

The lab’s knowledge products were to be actively disseminated to internal and external stakeholders through a variety of face-to-face and online platforms. All research outputs will be made public on the lab website in a ‘publish what you fund’ approach, and targeted products including case studies, completed market systems analyses, results measurement manuals and DCED audit reports will be promoted/highlighted during bespoke events such as brown-bag lunches and webinars. The lab participated in key events outside the ILO (such as BEAM, LEO, DCED and SEEP) in order to raise the visibility of the lab’s work and reach out to a wider practitioner audience.

A results chain for the lab is outlined in **Annex 3**.

The lab is located in the Small Enterprises Unit (SME) of the Enterprises Department (ENTERPRISES) of ILO. In the Unit, the lab is part of the Market Access, Entrepreneurship and Women Entrepreneurship Development (WED) team. The lab is managed from ILO Geneva and implements through a small team of staff and consultants. It carries out activities in partnership with ILO and non-ILO field projects, as well as at the global level:



PURPOSE AND SCOPE OF THE FINAL EVALUATION

The evaluation will be conducted following the ILO’s Evaluation Policy Guidelines, in line with the United Nations Evaluation Guidelines, norms and standards.

In line with the results-based approach applied by the ILO, the evaluation will focus on identifying and analysing results through addressing key questions related to the evaluation concerns and the achievement of the outcomes/immediate objectives of the project using the logical framework indicators. The evaluation will address the ILO evaluation concerns as defined in the ILO policy guidelines for results-based evaluation. Gender concerns will be based on the ILO Guidelines on Considering Gender in Monitoring and Evaluation of Projects.

a) Purpose

The evaluation is expected to:

- Assess the planned vs. delivered progress of the lab (against the log frame, yearly work plans and overall strategic objectives);
- Complement the findings from the Mid-Term Evaluation
- Identify good practices and lessons learned that would contribute to enhancing the adoption of a systemic approach in the ILO's portfolio of value chain development projects.
- Provide recommendations on what should be incorporated in the planned Phase II/ final exit phase of the Lab and other projects of this nature based on perceived practitioner needs, progress to-date and the ILO's comparative institutional advantage.

The evaluation will take into account the results of the mid-term evaluation that was conducted in 2016 and will assess progress made against the recommendations. Particular priority is placed on the lessons learnt and recommendations to maximise impact and sustainability of the project in Phase II which serves as the exit phase of the Lab.

b) Evaluation scope

The evaluation will cover the period from its design in 2012/2013 to present (April/June 2017), in order to provide a complete perspective of the project's development, evolution and current status. The evaluation will commence in May 2017 and conclude before the end of June 2017.

The evaluation will assess the lab's contribution towards a global practitioner knowledge-base, drawing on examples from in country activities.

c) Clients of the evaluation

- a) The lab project team
- b) The wider Value Chain Development, SME and Enterprise Team in ILO headquarters, as well as collaborating field projects
- c) The donor, SECO, and potential future donors for the lab

d) Evaluation criteria

The evaluation will address the following criteria:

- *Relevance*: the extent that objectives of the project are consistent with beneficiaries' (ILO and non-ILO market development practitioners) requirements, and relevant to country needs, global priorities and partners' and donors' expectations. In addition, relevance relates to whether the project results or approach are strategic and play to the comparative advantage of the ILO;
- *Effectiveness*: the extent to which the project's immediate objectives were achieved, or are expected to be achieved, taking into account their relative importance;

- *Impact and Sustainability*: related to an analysis of the project's contribution to broader, long-term, sustainable development changes. Evaluation questions of this nature aim to assess the likelihood that the results of the intervention are durable and can be maintained or even scaled up and replicated by intervention partners after major assistance has been completed.
- *Efficiency*: the extent to which the project delivered its outcomes and outputs with efficient use of resources (including management arrangements), including efforts/successes in soliciting private public partnerships for the most cost-effective implementation of activities. This will include the extent to which the resources available were adequate for meeting the project objectives.

e) Evaluation questions

A more detailed analytical framework of questions and sub-questions will be developed by the evaluator in agreement with the evaluation manager:

1. Relevance and strategic fit:

- *Are the objectives of the project consistent with beneficiaries' requirements (ILO and non-ILO practitioners), global, partners and donors' priorities?*
- *Does the project play on ILO comparative advantages?*
- *Was the original project strategy, objectives and assumptions appropriate for achieving planned results?*
- *What lessons can be learned for the design of future projects?*

2. Progress and effectiveness:

- *To what extent has the project achieved its objectives and successfully reached its target groups (both ILO and non-ILO practitioners) according to the logframe/workplan?*
- *Concerning wider development practitioners, how far has the ILO added value to debates on systemic jobs impacts and systemic MRM?*
- *To what extent has the project had an impact on how the ILO enterprise development portfolio positions itself to monitor and measure its results (to 'prove' impact, but, more importantly, to adaptively 'improve' impact?). What were the challenges faced (if any) by the project, in impacting on this?*
- *What obstacles did the project encounter in project implementation? What recommendations could be considered for Phase II and/or future projects of a similar nature?*

3. Impact orientation and sustainability:

- *How effectively has the project embedded national ownership and capacity of MRM systems and a systemic approach to enterprise development?*
- *Is there recognition of a good knowledge base in the ILO on using M4P in and around jobs and job quality?*
- *Has the project reached sufficient scale and depth to justify the donor investment?*
- *To what extent is there scope for up-scaling or replication of a market systems approach and MRM in the ILO, beyond the anticipated phase II of the Lab?*

- *What kind of changes should be made to the Lab to maximise impact and sustainability for phase II?*

4. Efficiency

- *How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives?*
- *How successful has the project been able to solicit partnerships in supporting the project implementation and the beneficiaries?*
- *The overall cost-efficiency of the project*

5. Effectiveness

- *Was the management and governance arrangement of the project adequate? Was there a clear understanding of roles and responsibilities by all parties involved?*
- *Was the project receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field and the responsible technical units in HQ?*
- *How effectively did the project management monitor project performance and results? Was there a monitoring & evaluation system in place and how effective was it? Was relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?*
- *Were the targets and indicators been sufficiently defined for the project?*
- *Have the recommendations from the mid-term evaluation been sufficiently incorporated into the project?*

f) Methodology to be followed

The following methodologies will be used during the evaluation:

Inception Report:

An inception report will be submitted outlining the conceptual framework planned for undertaking the evaluation. The Inception Report should include the consultant's acknowledgement of the formatting requirements, especially with regard to: Formulating and presenting recommendations; identifying and presenting lessons learned, and filling in the appropriate templates; and identifying and presenting emerging good practices, and filling in the relevant templates.

Document Review:

The evaluator will review the documents outlined in **Annex 1** before conducting any interviews

Interviews:

Individual interviews or focus group discussions will be conducted with project staff, representatives from field projects (by Skype where possible), consultants as appropriate. Meetings will be scheduled in advance of the mission to Geneva by the ILO, in accordance with the evaluator's requests and consistent with these terms of reference. A tentative list of individuals to be interviewed is included in **Annex 2**.

Debriefing:

On the final day of the mission to Geneva, the evaluator will present preliminary findings to the lab project team and the Evaluation focal point of the SME Unit.

Draft and final report:

A draft report will be prepared for comment in line with ILO Evaluation Checklist No. 5 (Preparing the Evaluation Report), Checklist No. 6 (Rating the Quality of Evaluation Reports) including completion of the ILO Templates for the Executive Summary, each lesson learned and good practices identified .

g) Outputs

Output	Description	Number of work days	Timeframe (tbc)
Inception Report	The inception report should describe the conceptual framework planned for undertaking the evaluation. The inception report must contain a work plan which indicates the phases of the evaluation, the approach, the timing, key deliverables and milestones.	2 days	30 June 2017
Final set of evaluation questions and schedule of interviews	Finalise the set of evaluation questions with evaluation manager and the interview schedule (in coordination with the lab team)	1 day	30 June 2017
Desk review	Read and review the core set of lab documents. Request any additional documentation required.	6 days	June/Jul 2017
Skype interviews	Conduct brief Skype interviews with a sample of field projects. Skype interviews should also include an interview with the donor.	Days	June/July 2017 (28 June - 17 July)
Geneva interviews (mission)	Conduct a three-day mission to Geneva to meet with the lab team and core project stakeholders.	3 days	17-19 July
Debriefing (Geneva)	Upon completion of interviews and desk review at national and global level, the evaluator will conduct a debriefing with the ILO Lab team. This will provide further input to the consolidated report will provide an opportunity for the ILO Lab team to understand the main findings of the evaluations and provide concrete feedback.	n/a	17-19 July

Draft report	Produce a short (no more than 30 pages) report (templates and annexes not counted in the page numbers) addressing the above evaluation questions. Integrate feedback from the ILO and the donor.	3 days	23 July 2017
Consolidated Feedback	The evaluation manager will consolidate all feedback and submit to the evaluator	N/A – 5 days for the reviewing draft report	27 July 2017
Final report	Deliver the final evaluation report.	3 days	31 July 2017

The evaluator will produce a concise final report according to the ILO evaluation guidelines and reflecting the key evaluation questions. The quality of the report will be determined by conformance with ILO Checklist No. 5 (Preparing the Evaluation Report), Checklist No. 6 (Rating the Quality of Evaluation Reports) including completion of the ILO Templates for the Executive Summary, each lesson learned and good practices identified. Adherence to these checklists will be considered a contractual requirement when submitting evaluations to ensure full remuneration of the contract. The maximum length of the final report should no more than 30 pages.

Management Arrangements

Timeframe

The work will start on 24 June 2017 and will be completed no later than 31st July 2017. The total level of effort (LOE) is expected to be 21 days, and will be paid on a lump sum upon delivery of the Final Evaluation Report with the accompanying templates completed.

The ILO will cover the costs of a single mission to Geneva.

Assignment administration

In order to ensure independence of all deliverables, all submissions will be made through the Evaluation Manager (Anjali Patel, patel@ilo.org). The consultant will work closely with both the Evaluation Manager, ILO EVAL HQ and the Lab project team.

Annex 1: Project related documents to be reviewed

- Lab project document (**critical**)
- Workplan Year One (**critical**)
- Workplan Year Two (**critical**)
- Workplan Year Three (**critical**)
- Progress report Year One (**critical**)
- Progress report Year Two (**critical**)
- Progress report Year Three (**critical**)
- Mid-Term Evaluation (**critical**)

- Objective: sector selection and analysis (**scan**)
 - Market analysis internal assessment report (**critical**)
 - Completed value chain and market analyses (Afghanistan, Mozambique, Zambia, Peru, Mexico and Vietnam (tourism programme))
 - Sector selection guidance document (GiZ) (**critical**)
 - Sector selection process documents (Peru and Afghanistan)
- Objective: results measurement (**scan**)
 - MRM op-eds (RCTs, DCED, BEAM)
 - MRM system documentation (Zambia, Afghanistan, Nepal)
 - BOSS case study
 - Kuza case study
 - Impact evaluations (Timor, Zambia, Rwanda)
 - Literature review
 - Working conditions draft guidance
 - DCED workshop and Evaluation Clinic
- Objective: national facilitation capacity (**critical**)
 - MRM course
 - Market facilitation course and online game
 - Market facilitation brief
 - Market systems development for decent work brief
 - VCD guide
- Any other documents that might be useful for the evaluation

Annex 2: Interviews (To be discussed further)

ILO Geneva:

- ILO Value Chain Development Coordinator
- Lab staff
- Manager, SME Unit
- CTA and team of SECO-funded 'SCORE' project
- Lab senior advisor

ILO field projects:

- Yapasa Zambia (CTA and MRM)
- Road to Jobs Afghanistan (CTA and MRM)
- Peru SCORE (CTA)
- ILO Enterprise Development Specialists (Delhi, Pretoria, Peru)

ITC Turin:

- Value Chain and Enterprise Development Specialist
- Director of Training

Other market development practitioners involved with:

- BEAM Exchange
- DCED
- SEEP/LEO

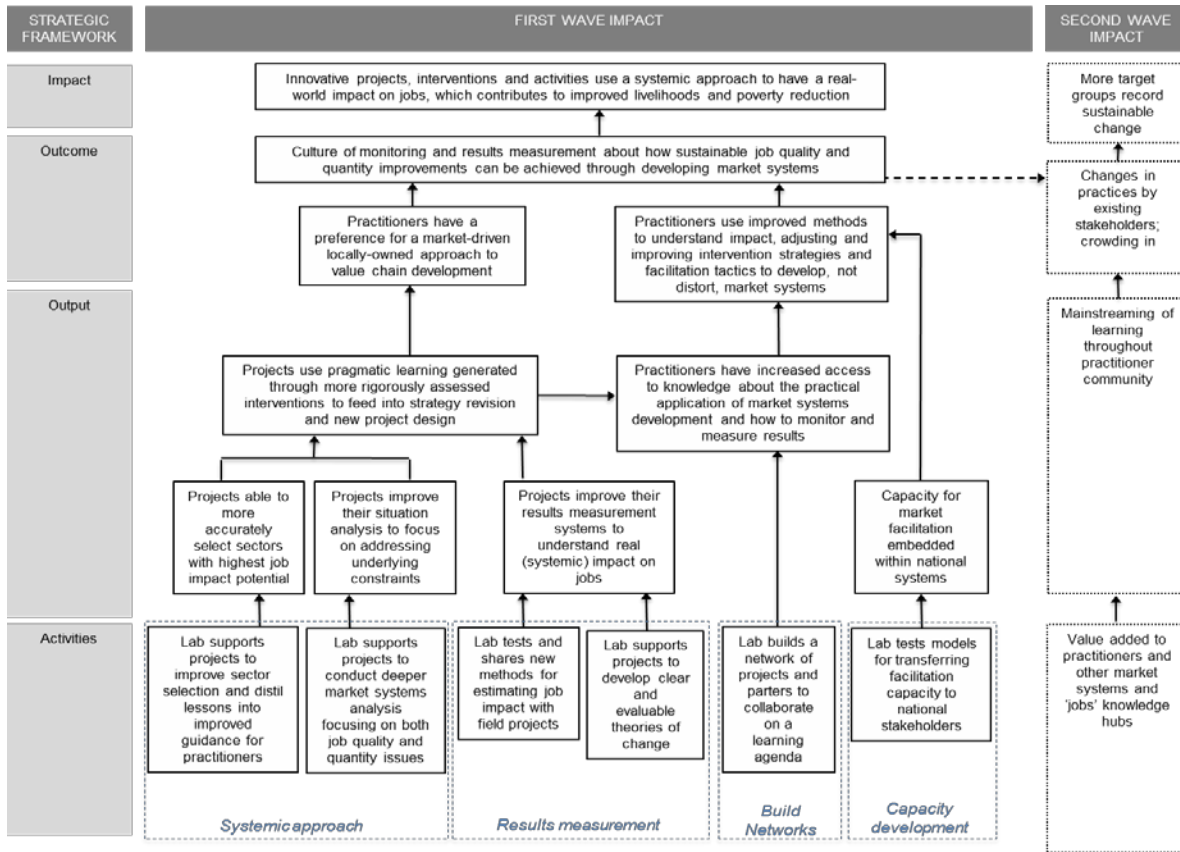
Other external:

- Fairtrade
- International Trade Centre

Donor:

- SECO

Annex 3: Lab results chain



Annex B: Secondary Data Sources

The project related sources that were reviewed during the desk review are the following:

- ☐ Lab Phase-I Project Document
- ☐ Lab Phase-II Project Document
- ☐ Annual Workplans For Years 1, 2 And 3
- ☐ Annual And Interim Progress Reports For Years 1,2,3 And Project Monitoring Documents
- ☐ Mid-Term Evaluation
- ☐ Sector Selection And Analysis
 - Market Analysis Internal Assessment Report
 - Completed Value Chain And Market Analyses (Afghanistan, Mozambique, Zambia, Peru, Mexico And Zimbabwe)
 - Guidelines For Value Chain Selection: Integrating Economic, Environmental, Social And Institutional Criteria
 - Sector Selection:
 - Selecting The Road To More And Better Jobs: Sector Selection Report Of The Road To Jobs Project In Northern Afghanistan
 - Sector Selection For Decent Work: Tips, Tricks And Tools
- ☐ Results Measurement
 - Mrm Op-Eds
 - The Science In Adaptive Management
 - In Market Systems, All You Need Is Jobs?
 - The Politics Of Evidence: A Practitioner's Perspective
 - Analyse This: Getting Better At Understanding How Market Systems Work
 - Assessing Systemic Change
 - Fooled By Randomization: Why Rcts Might Be The Real 'Gold Standard' For Private Sector Development
 - Mrm System Documentation (Zambia, Afghanistan, Nepal)
 - The Boss Project In Timor-Leste: Think Markets, Thick Impact?
 - Crafting Kuza: Towards A Systemic Approach To Job Creation For Youth In Mombasa
 - Impact Assessments (East Timor, Rwanda)
 - Literature Review On The Labour Market Impacts Of Value Chain Development Interventions
 - Market System Approaches To Improving Job Quality: The Current State Of The Field

- Measuring Working Conditions In Private Sector Development Projects
- DCED Training Workshop On Monitoring And Results Measurement In Private Sector Development And Evaluation Clinic
- National Facilitation Capacity
 - Monitoring and Results Measurement Course Content
 - Market Systems Facilitation: How Good Are You?
 - A Market Systems Approach to Decent Work
 - Value Chain Development for Decent Work
- RMAs/MSAs from DR, Tanzania and Zimbabwe

Annex C: List of Key Informants

The interview were conducted with the following respondents:

1. ILO Geneva:

- Merten Sievers
- Callie Ham
- Steve Hartrich
- Daniela Martinez
- Matt Ripley
- Markus Pilgrim
- Michael Elkin
- Drew Gardiner
- Lou Tessier
- Nadja Nutz
- Nadege Benz

2. ILO field projects:

- Gunjan Dallakoti
- Julius Mutio
- Hemat Mena Gul

3. Other market development practitioners/agencies involved in MSD:

- David Cordobes
- Jim Tanburn
- Birgit Seibel

4. Donors:

- Karin Federer
- Valerie Bersetbircher

Annex D: Inception Report

Programme Background

Market Systems Development for Decent Work is a four-year ILO project that aims to generate practitioner knowledge about market systems development in targeted sectors that can lead to creation of more and better jobs. In addition, it also focuses on measuring impact of these systemic changes and enhancing national capacity to build and facilitate market systems. Also known as 'The lab', the project is funded by the Swiss State Secretariat for Economic Affairs (SECO) and has the following three objectives:

- ❑ **Objective 1:** Strengthened value chain selection and analysis to maximise labour market impacts. Under this objective, the lab aims to a) improve the quality of value chain analysis to focus on identifying and understanding the reasons why the market system is not currently performing to 'create' more and better jobs, and b) help ensure that sector selection focuses on those sectors that are labour-intensive, have a high reliance on wage labour, and can create jobs that are accessible to poor and vulnerable groups.
- ❑ **Objective 2:** Improved results measurement focusing on both the quality and quantity of jobs. Under this objective, the lab aims to contribute to practitioner and industry understanding about how to practically but rigorously measure both the 'means' (how systems are changing) and the 'ends' (more and better jobs) of impact.
- ❑ **Objective 3:** Embedded national market system facilitation capacities. Under this objective, the lab aims to pilot ways in which to transfer facilitation competencies to key national stakeholders, helping a) leave behind facilitation capacity in national project staff and consultants b) provide a transparent *means* for governments to examine the overall market systems and their own role in helping developing them.

Collaboration, creating synergies, and conducting joint activities with field projects and other learning hubs is critical to the success of the lab. These constitute two additional cross-cutting work streams:

- ❑ **Building partnerships and networks.** The lab aims to add value to the work of other knowledge hubs on market systems development, through the lab's niche role as practitioner-driven and decent work-focused knowledge project.
- ❑ **Knowledge sharing.** The lab actively disseminates knowledge products to internal and external stakeholders through a variety of face-to-face and online platforms. The lab staff participates in key networks and events outside the ILO (such as BEAM, LEO, DCED and SEEP) in order to raise the visibility of the lab's work and reach out to a wider practitioner audience.

Evaluation Objectives

As a final and independent evaluation of the project, an overarching goal of this evaluation will be to determine if the Lab was successful in achieving its three core objectives.

The specific Terms of Reference (TORs) for this evaluation are provided in Annex A. Responding to these TORs will involve conducting a rigorous assessment to determine the project's **relevance** to its predefined strategic priorities including filling the knowledge gap, delivering through a collaborative and synergistic approach synergies and sustained capacity building; **efficiency and effectiveness** in producing intended outcomes, and **sustainability** and contribution to broader impact¹⁷. It will also identify best practices and key lessons learned that can be adopted in the second phase of the project. Specifically, this evaluation aims to:

- ❑ Determine the progress made by the project against the log frame and yearly work plans.
- ❑ Assess the progress made against the recommendations given from the Mid-Term Evaluation and build on its key findings.
- ❑ Identify good practices and lessons learned that would contribute to enhancing the adoption of a systemic approach in the ILO's portfolio of value chain development projects.
- ❑ Provide recommendations on what should be incorporated in the planned Phase II and other projects of this nature based on practitioner needs.
- ❑ Assess the lab's contribution towards a global practitioner knowledge-base, drawing on examples from in country activities.

Evaluation Guiding Principles

The evaluation will follow the OECD Development Assistance Committee (DAC) set of criteria to serve as guiding principles in determining the extent to which *The Lab* project was relevant and suited to the needs of the recipients and donor; that it fulfilled its objectives, with efficiency and effectiveness; and that it ultimately generated positive and sustainable change.

For each of the Lab's three core objectives the evaluation will hence systematically assess the extent to which the project met the following criteria:

- ❑ **Relevance:** the extent that objectives of the project were consistent with beneficiaries' (ILO and non-ILO market development practitioners) requirements, and relevant to country needs, global priorities and partners' and donors' expectations. In addition, relevance relates to whether the project results or approach were strategic and played to the comparative advantage of the ILO;
- ❑ **Effectiveness:** the extent to which the project's immediate objectives were achieved, or are expected to be achieved, taking into account their relative importance;
- ❑ **Impact and Sustainability:** the project's contribution to broader, long-term, sustainable development changes. This includes the likelihood that results of are durable and can be maintained or even scaled up and replicated after *the Lab* has been completed.
- ❑ **Efficiency:** the extent to which the project delivered its outcomes and outputs with efficient use of resources (including management arrangements), including efforts/successes in soliciting private public partnerships for the most cost-effective implementation of activities. This will

¹⁷ 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

include the extent to which the resources available were adequate for meeting the project objectives.

Evaluation Questions

In accordance with the evaluation objectives and DAC evaluation criteria, and based on the original ToRs provided by the ILO, the proposed evaluation questions are presented below.

1. Relevance and strategic fit:

- 1.1. Are the objectives of the Lab consistent with beneficiaries' requirements (ILO and non-ILO practitioners), global, partners and donors' priorities?
- 1.2. Has the project helped ILO establish a comparative advantage in establishing the knowledge base for systematic measurement of quantity and quality of jobs created?
- 1.3. Was the original project strategy, objectives and assumptions appropriate for achieving planned results?
 - 1.3.1. How was this strategy developed? How effectively did it work?
 - 1.3.2. Retrospectively thinking, what should be changed about this strategy?
 - 1.3.3. What improvements can be made in the strategy for the Lab's Phase II?

2. Progress and effectiveness:

- 2.1. To what extent has the project achieved its objectives and successfully reached its target groups (both ILO and non-ILO practitioners) according to the results framework?
- 2.2. Concerning wider development practitioners, how far has the ILO added value to debates on systemic jobs impacts? How well has the Lab leveraged its network and those from other knowledge hubs/platforms to disseminate knowledge and work?
- 2.3. To what extent has the project had an impact on how the enterprise development portfolio of the ILO positions itself to monitor and measure its results (to 'prove' impact, but, more importantly, to adaptively 'improve' impact?). What were the challenges faced (if any) by the project, in impacting on this?
- 2.4. What obstacles did the project encounter in project implementation? What recommendations could be considered for Phase II and/or future projects of a similar nature?
- 2.5. How did the ILO and non-ILO field projects use the knowledge (evidence/tools/approaches) from the Lab and what are the results observed?
- 2.6. What design and implementation lessons can be learned for the Phase II of the project?

3. Impact orientation and sustainability:

- 3.1. How effectively has the project embedded national ownership and capacity of MRM systems and a systemic approach to enterprise development?

- 3.2. How does the ownership of MRM systems and systematic approach to enterprise development manifests itself in the work and practices of key market players i.e. state, workers and employers?
- 3.3. Is there recognition of a good knowledge base in the ILO on using M4P in and around jobs and job quality?
- 3.4. Has the project reached sufficient scale and depth to justify the donor investment?
- 3.5. To what extent is there scope for up-scaling or replication of a market systems approach and MRM in the ILO, beyond the end of the Lab (after phase II)?
- 3.6. What kind of changes should be made to the Lab to maximise its impact and sustainability for phase II considering that phase II will be the final and exit phase of the Lab?
- 3.7. What, if any, possibilities are there for the Lab to collaborate with other such initiatives and donors in advancing knowledge around measurement and maximisation of jobs impact? Were any such opportunities pursued during the lifecycle of the programme?

4. Efficiency

- 4.1. How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives?
- 4.2. How successful has the project been able to solicit partnerships in supporting the project implementation and the beneficiaries?
- 4.3. What is the overall cost-efficiency of the project?

5. Effectiveness

- 5.1. How effective the management and governance arrangement of the project? Was there a clear understanding of roles and responsibilities by all parties involved?
- 5.2. Was the project receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field and the responsible technical units in HQ?
- 5.3. How effectively did the project management monitor project performance and results? Was there a monitoring & evaluation system in place and how effective was it? Was relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?
- 5.4. Were the targets and indicators sufficiently defined for the project?
- 5.5. How have the recommendations from the mid-term evaluation incorporated into the project?

Conceptual Framework and Methodology for Evaluation

Evaluation Framework

Based on the detailed evaluation questions provided above, the evaluation framework describes the type of data required to answer each evaluation question and the specific methods which will be used to gather these data. It also provides a mapping of how the data and methods for each question will respond to the overall project objectives.

The detailed evaluation framework has been shared separately in an Excel file.

Methodology

This section outlines the specific data collection and analysis methods which will be used to answer evaluation questions and produce the overall evaluation final report.

Data Collection

In line with the evaluation framework, we will conduct the following primary and secondary data collection methods in order to gather the relevant data required to answer the evaluation questions: **1) desk review and data extraction** and **2) semi-structured interviews**.

Desk Review & Data Extraction

The desk review will generate relevant evidence to answer the evaluation questions against each core objective of the project using the evaluation framework presented above. It will involve extracting the relevant data from secondary sources, provided by the ILO, and obtained through the Lab's website and other sources such as relevant project websites (e.g., BEAM Exchange), identified by the evaluation team.

To achieve this, we will develop a specific data extraction matrix to systematically extract and organise data against each evaluation question from each data source. This will be led by the Research Associate with quality assurance from the Evaluation Manager.

The primary documents for desk review identified by the evaluation team are provided in Annex B.

Semi-structured Interviews

Following the desk review the evaluation team will undertake semi-structured interviews with key stakeholders in order to generate additional data to answer evaluation questions. This method was chosen to allow for the interviewers to have the opportunity to ask follow-up questions and receive in-depth responses from the wide variety of participants.

Individual interviews will be conducted both in person in the ILO headquarters in Geneva and over the telephone with the field teams. The list of interviewees provided by the ILO include project staff, representatives from field projects, and consultants, both internal and external, as appropriate. Meetings will be scheduled in advance of the mission to Geneva by the ILO, in accordance with the evaluator's requests and consistent with these terms of reference.

The evaluation team will also use a snowball sampling approach to identify additional interviews. For example, at the end of each interview the evaluation team will ask the respondent whether there are

additional stakeholders who could provide additional knowledge on these topics. Depending on the time and availability of additional interviewees, the evaluation team will endeavour to exhaustively cover all relevant stakeholders.¹⁸

The evaluation team will develop a semi-structured interview tool for all interviews. The tool will follow key themes from the evaluation questions and include relevant probes and prompts. All interviews will be led by the Evaluation Manager and Team Leader. The two interviewers will continually compare notes after interviews to iteratively adapt the tool as appropriate.

Interviews are expected to take approximately 60 minutes. We will ensure that all stakeholder interviews are consistent with the ILO guidelines for stakeholder engagement, including appropriate protocols for informed consent and confidentiality. The interview questions for each of the respondents will be tailored based on the analytical framework that will be developed, details of which are given in the next section. This framework will serve as the guideline for determining the right fit relevance of the evaluation questions for the respondents.

The initial list of interviewees identified by the evaluation team are provided in Annex B. With the anticipated response rate, the evaluation team will plan to conduct between 20 and 25 interviews in total, including the Lab and ILO staff based in Geneva.

Data Analysis

Data analysis will largely follow a triangulation approach, weaving together primary and secondary and quantitative and qualitative data to robustly answer the stated evaluation questions. In addition to addressing the evaluation questions, the analysis will also try to distil insights into how projects that worked with the Lab integrated gender issues in their delivery approach and what aspects of this can be attributed to the guidelines and approaches developed or recommended by the Lab.

The two primary data analysis methods to be employed are described below.

Results Chain Indicators Analysis

Using the data gathered against the evaluation questions, an additional analysis will look at the degree to which the Lab was able to achieve the results along the project's results chain. This will provide a robust assessment of how well the Lab's outputs, outcomes and impacts were achieved.

Qualitative Data Analysis

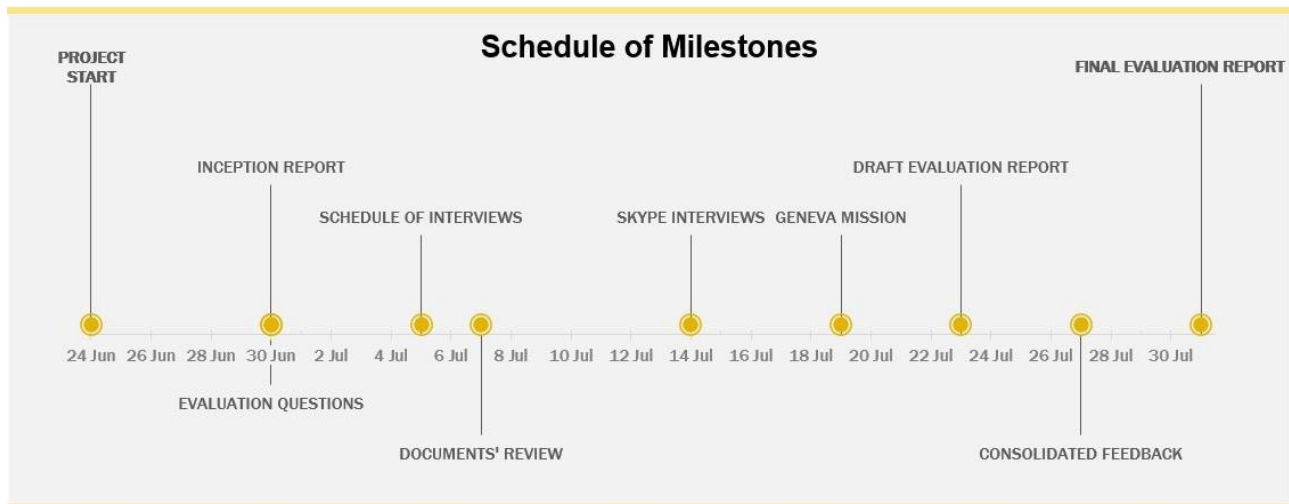
Qualitative data from semi-structured interviews will be entered into MS Word and Excel following each round of data collection. Raw qualitative data will be analysed using both grounded theory¹⁹ and thematic approaches²⁰.

¹⁸ When appropriate, these interviewees will be asked to provide additional secondary data that can be added to the desk review and data extraction activities described above.

¹⁹ See for example, Walker, D. and Myrick, F. (2006). 'Grounded Theory: An Exploration of Process and Procedure. *Qualitative Health Research* 16(247)

²⁰ This followed the logic of thematic analysis using SSAPR's outcome areas as pre-identified themes. See for example, Gregory, G. and Guest, S. (2012) *Applied Thematic Analysis*. Sage Publications.

Schedule of Milestones and Deliverables



Adherence to ILO Guidance and Formatting Requirements

Palladium will fully comply with ILO's Code of Conduct and meet the reporting requirements concerning final independent evaluations. The Evaluation Team has thoroughly reviewed **EVAl Guidance Resources for ILO** and **Checklist 10**, containing reference to all the guidance notes, checklists, protocols, templates and tools. In order to distil lessons learned and good practices observed during the course of evaluation, the evaluation team will follow the guidelines and templates provided in **Guidance Note 3**. As an External Evaluator, all reports will be produced as per the structure recommended in **Checklist 5** and comply with the quality criteria defined in **Check List 6** containing ILO's quality rating dimensions for evaluation reports.

Annex E: Interview Guides

Final Independent Evaluation of ‘Market Systems Development for Decent Work – The Lab’

Interview guide for SECO

Introduction:

- A bit of an intro about us and the final evaluation
 - o In your view, was the Lab able to achieve its objectives from the 1st phase?
 - o What were some of the key lessons for SECO from the 1st phase?
 - o What would you want to be done differently in the 2nd Phase, if it is approved?
- A bit about you and your role in this project
 - o Could you describe your position and how were you involved in the design and oversight of this programme?

Overall objectives and strategy

- *What were the key objectives and aspirations behind the Lab?*
 - o What was missing in SECO’s assessment, in terms of technical design research and support for measuring job quantity and quality, that SECO decided to fund this initiative?
 - o What were some of the key objectives that SECO wanted to achieve through this initiative?
 - o In your assessment, how successful have these activities been in contributing to achieving objectives of M4P projects and other donors?
- *How does the Lab’s work and offering compare to other similar initiatives in the space?*
 - o What do you think is the Lab doing different than other initiatives?
 - o What is its ‘niche’ or value add?
- *Views on original project strategy as defined in Results Chain (Theory of Change)*
 - o Do you think the work that the Lab has done has been able to influence the way practitioners and donors approach market systems development projects, as intended in the Results Chain?
 - o What kind of trends are you observing in the domain of market systems development programme and donors’ approach to it that the Lab can continue to contribute towards? Based on this trend analysis, do you think there will be a continued role for the Lab and other such initiatives to play?

Management and Implementation of the Lab

- *Management and Implementation Structure:*
 - o How satisfied are you with the way this initiative has been implemented?
 - Do you think the internal administrative structure was adequate to achieve Lab’s objectives and provide support to collaborating projects?
 - Do you think the Lab efficiently utilised the technical and financial resources to achieve its objectives for Phase I in the given time frame?
 - Have you observed any challenges in project implementation that the Lab team could have handled more effectively?
- *Comments about Lab’s Work*
 - o What are the most successful and impactful activities conducted by the Lab?

- Do you think the Lab rightly identified and prioritized the activities delivered through the project (Training, knowledge products, or active support to projects)?
- Do you think the planned activities were done effectively and efficiently? Have you received any direct or indirect feedback about the Lab's work and its execution?
- *Working with ILO:*
 - How closely did you work with ILO in launching and implementing this initiative? How was this partnership? What were some of the key challenges that can be addressed in Phase II?
 - Were there any added benefits of housing this work within the ILO?
- *Challenges:*
 - What were some of the challenges faced that were not foreseen in the early stages of the project? What should be done differently in the second phase?

The Lab as the knowledge hub for Decent Work

- *Outreach and influence:*
 - How would you rate the Lab's outreach and influence strategy overall?
 - In your view, has the Lab established itself as an entity that is approached by other entities in What kind of products/ services provided by the Lab or strategies do you think have the most traction amongst the donors and development community?
 - What could have been done differently?
 - What should be done differently in the next phase to expand the Lab's outreach?
- *Collaboration*
 - Have any other donors approached you with offers of collaboration to sustain the Lab's work?
 - How would you rate the Lab's operational model of working with projects overall? Do you think it can be made more efficient and beneficial for projects?

Overall conclusions

- Overall, in your view
 - What worked well, not so well?
 - What could the project have done differently?
- Any suggestions for changes in project structure for next phase?

Interview Guide for GIZ

Year 1 (2014/15)

WORKPLAN	PROGRESS REPORT
	<p><i>(Interim progress report 2014)</i></p> <p>Activity area: Improved tools to inform sector selection</p> <ul style="list-style-type: none"> • Initial discussions have been held with GiZ • Next steps: The lab will begin a mapping of existing sector selection tools in late Q3, and carry out a short mission to discuss with GiZ about piloting practical tools for a 'quick scan' of sectors. We will work with SCORE Peru to inform their sector selection process, helping them better understand market potential and constraints to inclusive growth.
	<p>Key results</p> <ul style="list-style-type: none"> ▪ Strategic joint activities are underway with the BEAM Exchange, GiZ, IFC Let's Work and USAID/LEO.
	<p><u>Output 1.3: Sector selection guidance note for field projects</u></p> <p>Activities: Field research on effective sector selection procedures.</p> <p>Deliverable status: Ongoing. This is a joint exercise with GiZ's Sector Project on Innovative Approaches for Private Sector Development. A consultant is currently conducting key informant interviews with 5 ILO and 5 GiZ projects to extract learning and lessons to-date on using existing sector selection tools.</p>

Year 2 (2015/16)

WORKPLAN	PROGRESS REPORT
<p>By March 2016, the lab expects to achieve:</p> <ul style="list-style-type: none"> - 2 projects use a rigorous process to choose labour-intensive growth sectors to intervene in, and joint GiZ/ILO guidelines on sector selection are published and promoted amongst practitioners. 	<p><u>Output 1: Sector selection tool finalized and published</u></p> <p>Worked with GiZ to finalise 'Guidelines for Value Chain Selection'.</p> <p>Deliverable status: Completed. The ILO/GiZ guidelines were published in late 2015. They were presented in Paris at the meeting of the DCED Working Group on Green Growth, and in Vienna at</p>

<p><u>Output 1: Sector selection tool finalised and published</u></p> <ul style="list-style-type: none"> ▪ Activity 1.3: <i>Distill lessons from sector selection across ILO projects into practical guidance for sector selection, including in the VCD Guide and a joint Guidelines with GiZ.</i> 	<p>a meeting of the UN's value chain development task force. The results and the process of both the Peru and Afghanistan sector selection exercises have been posted on the Lab's website, www.ilo.org/thelab</p>
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Introduction:

- A bit of an intro about us and the final evaluation
 - o What kind of market systems development and job creating projects is the GIZ working on?
 - o What's your involvement in these projects?

Overall perception of the Lab

- *How would you describe the Lab?*
 - o What are their main services?
- *How does it help practitioners using market systems approaches more effectively?*
 - o What is it's 'niche' or value add in its approach/tools/strategy?
- *Comparison with other initiatives:*
 - o What other similar initiatives in this space do you know of? How does what the Lab offers compare to other similar initiatives in the space?
 - o How do these other sources compare to the Labs in terms of accessibility and quality of content?

Collaboration with the Lab

- How have you (/your organisation) come to work with the Lab?
- What have been your areas of collaboration with the Lab?
 - **Probe for:**
 - Developing and sharing research products online
 - o Sector Selection guidelines
 - o Value Chain Selection
 - Support to seminars/ conferences/ webinars
 - Capacity building to expand the quantity of available consultants/auditors who are experienced to run audits
 - **FOR EACH SUB-AREA:**
 - Are you satisfied with the collaboration with the Lab?
 - o Key take away?
 - o Why or why not?
- Enough resources allocated to deliver?
- Strong communication strategy and visibility?
- Are there any challenges you encounter in collaborating with the Lab?
- Do you think their strategy and areas of input are well-defined?

The Lab's long-term contribution to donor community work in M4P

- In your assessment, how successful have the Lab's activities (and your collaboration) been in contributing to achieving GIZ's objectives concerning M4P projects?
- What kind of trends are you observing in the domain of market systems development programme and GIZ/other donors' approach to it that the Lab can continue to contribute towards? Based on this trend analysis, do you think there will be a continued role for the Lab and other such initiatives to play?

The Lab as the knowledge hub for Decent Work

- *Outreach and influence:*
 - o How did you find out about the Lab?
 - o How would you rate the Lab's outreach and influence strategy overall?
 - In your view, has the Lab established itself as an entity that is approached by other entities in
What kind of products/ services provided by the Lab or strategies do you think have the most traction amongst the donors and development community?
 - o What could have been done differently?
 - o What should be done differently in the next phase to expand the Lab's outreach?

Overall conclusions

- Overall, in your view
 - o What worked well, not so well?
 - o What could the project have done differently?
- Any suggestions for changes in project structure for next phase?

Interview Guide for BEAM Exchange

Year 2 (2015/16)

WORKPLAN	PROGRESS REPORT
N/A	<p><u>Output 3.1: Lessons learned disseminated</u> The lab's work in Timor-Leste to develop a theory-based approach to assessing impact (see Annexes) was shared at a Danida seminar on jobs in October 2014, and in a webinar co-hosted by the new DFID and SDC platform Building Effective and Accessible Markets (BEAM Exchange)</p>
The lab will continue to participate in key events outside the ILO (such as BEAM, LEO, DCED and SEEP) in order to raise the visibility of the lab's work and reach out to a wider practitioner audience.	<p><u>Cross cutting outputs 6 and 7:</u> The Lab has fed into discussions in Let's Work on impact measurement, the DFID/SDC BEAM Exchange and the USAID Leveraging Economic Opportunity (LEO) initiative.</p>
<p>Activity 6.1 Pro-actively reach out to non-ILO projects (partnering with BEAM) Activity 7.1 Maintain Lab website and banner (partnering with BEAM)</p>	<p><u>Output 2: Market systems analyses published.</u> The Lab team contributed a blog to the BEAM Exchange website entitled 'Analyze This' – sharing with practitioners the Lab's experience at getting deeper into the underlying reasons sectors are not generating more and better jobs.</p> <p><u>Cross-cutting outputs 6 and 7: Building partnerships and networks, and knowledge sharing</u> The Lab provided further thought leadership in the industry by making keynote presentations at the DCED Global Seminar on Results Measurement in March, the BEAM Exchange Conference in Lusaka in May,</p>

Introduction:

- A bit of an intro about us and the final evaluation
 - o Did the Lab achieve its objectives from the 1st phase?
 - o Lessons learned from 1st phase
 - o Recommendations for Phase 2

Overall perception of the Lab

- How would you describe the Lab?
 - o What are their main services?
- How does it help practitioners using market systems approaches more effectively?
 - o What is its 'niche' or value add in its approach/tools/strategy?
- How does what the Lab offers compare to other similar initiatives in the space?
 - o How do these other sources compare to the Labs in terms of accessibility and quality of content?

- More specifically, how does the Lab compare to what BEAM offers?
 - o Are those two initiatives complementary in terms of knowledge sharing and learning objectives?

Collaboration with BEAM

- How have you (/your organisation) come to work with the Lab?
- What have been your areas of collaboration with the Lab?
 - **Probe for:**
 - Support to seminars/ conferences/ webinars
 - Capacity building to expand the quantity of available consultants/auditors who are experienced to run audits
 - Developing and sharing research products online
 - Engage 'manage' or 'moderate' jobs sections of the exchange website?
 - Conducting DCED audits
 - o **FOR EACH SUB-AREA:**
 - Are you satisfied with the collaboration with the Lab?
 - Key take away?
 - Why or why not?
- Enough resources allocated to deliver?
- Strong communication strategy and visibility?
- Are there any challenges you encounter in collaborating with the Lab?

Reach & Influence

- To which extent is the Lab featured on the BEAM website?
- How is the BEAM website important in giving visibility and accessibility to the evidence/information produced by the Lab?
- Conversely, how has the lab contributed to more articles being published on the BEAM Exchange website/blog?
- To which extent / How important of a role is the Lab playing in actively contributing to a wider use of the DCED Standard for Results Measurement?
 - o How widely is the Lab work featured in the seminars, webinars and other events on systemic jobs impacts and systemic MRM debates?
 - o How do you perceive the contribution of the ILO to these debates?
- Read practical guidance on how to put the approach into practice, and share your insights with other practitioners.
- What kind of products/ services provided by the Lab or strategies do you think have the most traction amongst the development community?
- How accessible and visible is the knowledge, products and tools generated by the Lab? How could they improve?
- Would you consider it the 'go to source' for info in this space?
 - Give examples

Overall conclusions

- Overall how would you rate your experience collaborating with the Lab?
 - o What worked well, not so well?

- What could they have done differently?
- Any recommendations for better support in the next phase?

Interview Guide for DCED

Year 2 (2015/16)

WORKPLAN	PROGRESS REPORT
Activity 4.3: <i>Explore ways to work with the DCED to expand the quantity of available consultants/auditors who are experienced to run audits, and provide support to projects.</i>	
Activity 4.4: <i>Support the DCED Global Results Measurement Seminar to promote cross-organisational practitioner learning on results measurement</i>	the Lab provided further thought leadership in the industry by making keynote presentations at the DCED Global Seminar on Results Measurement in March
Activity 7.2: <i>Run a series of brown-bag lunches on key lab research products: including results measurement (DCED audits), market systems development for working conditions improvements, and market systems facilitation. Participate as experts/guests on external webinars or informal events on results measurement and jobs.</i>	The Lab also conducted a seminar on an introduction to using the DCED Standard at the International Trade Centre.

Introduction:

- A bit of an intro about us and the final evaluation
 - o Did the Lab achieve its objectives from the 1st phase?
 - o Lessons learned from 1st phase
 - o Recommendations for Phase 2

Overall perception of the Lab

- How would you describe the Lab?
 - o What are their main services?
- How does what the Lab offers compare to other similar initiatives in the space?
 - o How do these other sources compare to the Labs in terms of accessibility and quality of information?
 - o What is it's 'niche' or value add?

Collaboration with DCED

- How have you (/your organisation) come to work with the Lab?
- What have been your areas of collaboration with the Lab?
 - **Probe for:**
 - Support to seminars/ conferences/ Webinars
 - Capacity building to expand the quantity of available consultants/auditors who are experienced to run audits
 - Conducting DCED audits
 - Research products

- **FOR EACH SUB-AREA:**
 - Are you satisfied with the collaboration with the Lab?
 - Key take away?
 - Why or why not?
- Enough resources allocated to deliver?
- Strong communication strategy and visibility?
- Are there any challenges you encounter in collaborating with the Lab?

Reach & Influence

- **To which extent / How important of a role is the Lab playing in actively contributing to a wider use of the DCED Standard for Results Measurement?**
 - How widely is the Lab work featured in the seminars, webinars and other events on systemic jobs impacts and systemic MRM debates?
 - How do you perceive the contribution of the ILO to these debates?
- What kind of products/ services provided by the Lab or strategies do you think have the most traction amongst the development community?
- How accessible and visible is the knowledge, products and tools generated by the Lab? How could they improve?
- Would you consider it the 'go to source' for info in this space?
 - Give examples

Overall conclusions

- Overall how would you rate your experience collaborating with the Lab?
 - What worked well, not so well?
 - What could they have done differently?
- Any recommendations for better support in the next phase?

Interview guide for International Labour Organization

Introduction:

- A bit of an intro about us and the final evaluation
- A bit about you and your role in this project
 - o Could you describe your position and how have you worked / engaged with the Lab
 - o How long have you been affiliated with the Lab

Overall objectives and strategy

- *How would you describe the Lab?*
 - o What was the Lab supposed to do? What is it trying to achieve?
 - o What does the 'go-to' place mean? Was this the specific objective/mission?
- **Objective 3: Embedded national market system facilitation capacities**

The lab aimed to pilot ways in which to transfer facilitation competencies to key national stakeholders, helping a) leave behind facilitation capacity in national project staff and consultants b) provide a transparent means for national stakeholders (market actors and development projects) to examine the overall market systems and their own role in helping developing them.

 - o What's the background/history of Objective 3?
 - o How does it fit in with the overall vision for the Lab?
- *How does what the Lab offers compare to other similar initiatives in the space?*
 - o How do these other sources compare to the Labs in terms of accessibility and quality of information?
 - o What is its 'niche' or value add?
- *Views on original project strategy as defined in Results Chain (Theory of Change)*
 - o Do you think Lab's outputs have been able to influence the way practitioners and donors approach market systems development projects?
 - o What kind of changes have you seen in projects that indicate a shift in approach to implementing market systems development and jobs measurement?

Managing the Lab

- *Understanding Management Structure:*
 - o How was the team structured? How were the roles and responsibilities divided?
 - o **How are key strategy and management decisions made**
 - What has been your role in the key strategy and management decisions made?
 - When have you been engaged? How often? Etc....
 - o Do you think the internal administrative structure was adequate to achieve Lab's objectives and provide support to collaborating projects? What were some key challenges?
- *Working within ILO:*
 - o How did being located in ILO help the Lab's work? Were there any challenges that came with it?
 - o How was the Lab's work received within the ILO?

- Units where it has been particularly well received?
- Units where it didn't work so well?
 - Any reasons you think this was the case (good/bad)
 - Any ways it could have been improved?
- Impact beyond projects: What broader impact did the Lab have within ILO but outside of the specific projects on which the Lab worked?
- Mid-Term Evaluation:
 - Understanding of MTR recommendations and some of the specific actions taken on their basis.

ILO as the knowledge hub for Decent Work

- *Outreach and influence:*
 - What were some of the challenges in improving the Lab's visibility?
 - How would you rate the Lab's outreach and influence strategy overall
 - What kind of products/ services provided by the Lab or strategies do you think have the most traction amongst the development community?
 - What could have been done differently?
 - What could be done differently in the next phase to expand the Lab's outreach?
 - Has there been any follow-up with the trainees or projects?
- *Collaboration*
 - How would you rate the Lab's model of working with projects overall?
 - Do you think the demand-driven model for collaboration and embedding Lab's work in projects is effective way to promote systemic approach for decent work?
 - How effective has it been in Phase I and how frequently did the team receive requests for collaboration?
 - What are the key constraints in partnering with other projects/agencies and practitioners?
 - How has the Lab's experience been in partnering with other similar initiatives?
 - How can the Lab more effectively collaborate and synergize its activities with other platforms such as BEAM etc.?

Implementation

- *Overall Implementation:*
 - What were some of the specific targets for the Lab and how were they defined?
 - Do you think the Lab had enough technical and financial resources to achieve its objectives for Phase I in the given time frame? Were these resources enough to meet the goals identified in work plans?
 - What are the most successful and impactful activities conducted by the Lab? Training, knowledge products, or active support to projects?
- *Monitoring, Evaluation and Learning:*
 - Please describe your M&E system? How did different data sources inform indicators and overall programme direction e.g. what did you do with the results from client survey?
 -
- *Challenges:*
 - What were some of the challenges faced that were not foreseen in the early stages of the project? What should be done differently in the second phase?

Overall conclusions

- What could have been done to establish effective visibility of the Lab?
- Overall, in your view
 - o What worked well, not so well?
 - o What could the project have done differently?
- Any suggestions for changes in project structure for next phase?

Annex F: Lessons Learned

Project Title	Final Independent Evaluation of ‘Market Systems Development for Decent Work – the Lab’
Project TC/Symbol	GLO/13/15/SWI
Name of Evaluator	The Palladium Group-Research, Monitoring and Evaluation Unit Consultants: Andrew Koleros, Arqam Lodhi, Coralie Blunier
Date	July 2017
LL Element	Text
Brief description of lesson learned (link to specific action or tasks)	A robust M&E System is crucial to drive evidence-based learning and adaptation
Context and any related pre-conditions	In order for the project to be able to monitor its progress, determine its strategy and assess its trajectory towards the intended impact, a robust monitoring, evaluation and learning system is crucial. In a resource-constrained environment where there are competing priorities and multiple pathways to success, a robust M&E system will allow the project make evidence-based decisions to detect and rectify early failures and evaluate the effectiveness and relevance of its activities in complex and rapidly changing environments. This lesson was learned both on the projects the Lab supported as well as within the Lab itself.
Targeted Users/Beneficiaries	ILO/Lab Team/Projects’ Staff
Challenges/Negative lessons-Causal Factors	Systemic approaches to market development require flexible and adaptive project structure and robust MRM systems to produce the right data in a timely way that can be utilised to recalibrate the project strategy. Given this is a fairly new approach, project’s existing MRM system require significant changes in order for them to be able to produce the right data.
Success/Positive Issues-Causal Factors	With increasing trend of projects undergoing DCED audit, it is likely that more projects will be able to develop robust MRM systems.
ILO Administrative Issues	The right incentives for projects to develop robust MRM systems are missing. ILO’s Enterprise Development Department can potentially create incentives or institutionalise the criteria for robust MRM systems for market system development projects.

Project Title	Final Independent Evaluation of ‘Market Systems Development for Decent Work – the Lab’
Project TC/Symbol	GLO/13/15/SWI
Name of Evaluator	The Palladium Group-Research, Monitoring and Evaluation Unit Consultants: Andrew Koleros, Arqam Lodhi, Coralie Blunier
Date	July 2017

LL Element	Text
Brief description of lesson learned (link to specific action or taks)	Behaviour change takes time.
Context and any related pre-conditions	Systematic approaches to market and value chain development are complex. In order for people to be able to adopt this 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 (e.g., what drives these behaviours). In order for their current behaviours to change, it will require targeted interventions that can influence either or all of these traits for their behaviour to change. This is true both of projects as well as the institution of the ILO itself.
Targeted Users/Beneficiaries	ILO/Lab Team/Projects’ Staff
Challenges/Negative lessons-Causal Factors	Limited movement towards desired behaviour is potentially a result of combination of capabilities, opportunities and motivations. The systemic analysis that can unpack these actor-based behaviour change constraints, and develop the right interventions is missing.
Success/Positive Issues-Causal Factors	With an increasing awareness of what systemic approach to development entails, a lot of projects are re-orienting their project design and implementation approach. However, this is not done in a coordinated manner.
ILO Administrative Issues	Similar to the previous lesson, only the right, institutionalised incentives can bring about a long-term and sustainable change through which projects and practitioners adopt a systemic approach to market development. Only ILO as an institution can create the right incentives. .

Annex G: Evaluation Framework

	Primary Data		Secondary data		Objective 1: Strengthened sector selection and analysis to maximise labour market impacts	Objective 2: Improved results measurement focusing on both the quality and quantity of jobs.	Objective 3: Embedded national market system facilitation capacities.	Comments & Explanations	
	Data Source	Mehtods	Data Source	Methods					
1 Relevance and strategic fit:									
1.1	Are the objectives of the Lab consistent with beneficiaries' requirements (ILO and non-ILO practitioners, global partners) and donors' priorities?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews -Documents Review	-Mid-Term Evaluation -Field Projects MRM Manuals -Results Chain -Project documents	-Desk Review	X	X	Value and uptake of the Lab's tools and products amongst practitioners	
1.2	Has the project helped ILO establish a comparative advantage in establishing the knowledge base for job creation and measurement? Was the original project strategy, objectives and assumptions appropriate for achieving planned results? --How was this strategy developed?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Mid-Term Evaluation	-Desk Review	X	X	Extent to which the ILO gives the lab credibility through its expertise around the questions of job creation and decent work	
1.3	--Retrospectively thinking, what should be changed about this strategy? --What process improvements can be made for strategy development for Phase II?	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Mid-Term Evaluation -Results Chain -Lab project documents	-Desk Review	X	X	Identifiable causal links between the project strategy/objectives and the results (ToC) Extent to which the ToC is practical and evaluable	
1.4	What design and implementation lessons can be learned for the potential Phase II of the project?	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Mid-Term Evaluation -Results Chain -Lab Project documents	-Desk Review	X	X	X	What worked and what didn't , according to the programme team
2 Progress and effectiveness:									
2.1	To what extent has the Lab achieved its objectives and successfully reached its target groups (both ILO and non-ILO practitioners) according to the logframe/workplan?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Work plans/ Implementation plan -Progress reports -Online Platforms/Websites -Project Documents	-Desk Review	X	X	X	Activities conducted Practitioners (internal/external) reached
2.2	Concerning wider development practitioners, how far has the ILO added value to debates on systemic jobs impacts and systemic MRM? --How prominently was the Lab's work featured in the seminars, webinars and other events on the issue?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Work plans/ Implementation plan -Progress reports -Mid-Term Evaluation -Project Documents	-Desk Review	X			Frequency practitionersto which used or came across some of the tools and approached developed by the lab
2.3	To what extent has the Lab had an impact on how the ILO enterprise development portfolio positions itself to monitor and measure its results (to 'prove' impact, but, more importantly, to adaptively 'improve' impact?). --What were the challenges faced (if any) by the project, in impacting on this?	-ILO Geneva -Field Projects -Donor	-Semi-Structured Interviews	-Work plans/ Implementation plan -Progress reports -Mid-Term Evaluation -Project Documents	-Desk Review	X	X		Changes in the ability to measure results attributable to the lab
2.4	What obstacles did the project encounter in project implementation? -What recommendations could be considered for Phase II and/or future projects of a similar nature?	-ILO Geneva -Field Projects -Donor	-Semi-Structured Interviews	-Work plans -Progress reports	-Desk Review		X	X	Number and types of challenges encountered by management and field teams

2.5	How did the ILO field projects use the knowledge (evidence/tools/approaches) from the Lab and what are the results observed?	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Work plans/ Implementation plan Progress reports -Mid-Term Evaluation -Project Documents	-Desk Review	x	X	X	Patterns of use amongst intended users and variety/diversity of results
3 Impact orientation and sustainability:									
3.1	How effectively has the Lab embedded national ownership and capacity of MRM systems and a systemic approach to enterprise development?	-Field Projects	-Semi-Structured Interviews	-Work plans/ Implementation plan -Progress reports -Website -Geographic Analysis Summary	-Desk Review	X	X	X	Key national staff who are confident in having the right competencies to examine market systems and transfer knowledge
3.2	Is there recognition of a good knowledge base in the ILO on using M4P in and around jobs and job quality?	-External Stakeholders	-Semi-Structured Interviews	-Mid-Term Evaluation -Website	-Desk Review	X	X	X	Postive or negative feedback from external stakeholders
3.3	Has the Lab reached sufficient scale and depth to justify donors investment in potential Phase II?	-Donor	-Semi-Structured Interviews	-Geographic Analysis Summary -Mid-Term Evaluation	-Desk Review	X	X	X	Number people reached (e.g. Wesbite and courses)
3.4	To what extent is there scope for up-scaling or replication of a market systems approach and MRM in the ILO, beyond the anticipated phase II of the Lab?	-ILO Geneva	-Semi-Structured Interviews	-Progress reports -Objective Sector Selection & Analysis documents	-Desk Review	X	X	X	Appetite amonsgt the ILO Geneva and field teams to scale-up the approach
3.5	What kind of changes should be made to the Lab to maximise impact and sustainability for phase II?	-ILO Geneva -Field Projects -Donor	-Semi-Structured Interviews	-Mid-Term Evaluation -Progress reports	-Desk Review		X		
3.6	What, if any, possibilities are there for the Lab to collaborate with other such initiatives and donors in advancing knowledge around measurement and maximisation of jobs? -Were any such opportunities pursued during the lifecycle of the programme?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Mid-Term Evaluation -Progress reports -Objective Sector Selection & Analysis documents	-Desk Review	X	X	X	Weaknesses identified by internal and external stakeholders in programme strategy and implementation
4 Efficiency									
4.1	How efficient was the Lab in utilizing project resources to deliver the planned results? How efficient was the Lab in delivering on its outputs and objectives?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Mid-Term Evaluation -Project Documents	-Desk Review	X	X	X	Progress against workplan with dedicated resources
4.2	How successful has the Lab been able to solicit partnerships in supporting the project implementation and the beneficiaries?	-ILO Geneva -Field Projects -External Stakeholders	-Semi-Structured Interviews	-Project Contributions documents	-Desk Review	X	X	X	Number of partnerships created during the lifetime of the project
4.3	The overall cost-efficiency of the project	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Mid-Term Evaluation -Project Documents	-Desk Review	X	X	X	Might need more financial info here
5 Effectiveness									
5.1	Was the management and governance arrangement of the Lab adequate? Was there a clear understanding of roles and responsibilities by all parties involved?	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Mid Work plans Implementation plans -Project monitoring documents -Project monitoring documents	-Desk Review	X	X	X	
5.2	Was the Lab receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field and the responsible technical units inHQ?	-ILO Geneva -Field Projects	-Semi-Structured Interviews	-Project monitoring documents -Work plans Implementation plans	-Desk Review	X	X	X	Number of challenges faced due to lack of adequate support

5.3	<p>How effectively did the Lab management monitor project performance and results?</p> <p>--Was there a monitoring & evaluation system in place and how effective was it?</p> <p>--Was relevant information systematically collected and collated?</p> <p>--Is the data disaggregated by sex (and by other relevant characteristics if relevant)?</p>	<p>-ILO Geneva -Field Projects</p> <p>-Semi-Structured Interviews</p>	<p>-Logframe -Project monitoring documents -Progress reports</p> <p>-Desk Review</p>	X	X				<p>Whether or not evidence has been collected to validate each step of the theory of change</p>
5.4	<p>Were the targets and indicators been sufficiently defined for the project?</p>	<p>-ILO Geneva -Field Projects</p> <p>-Semi-Structured Interviews</p>	<p>-Logframe -Project monitoring documents</p> <p>-Desk Review</p>	X	X	X		X	<p>Consistency and practability of the logframe indicators and targets according to the interal stakeholders</p> <p>Changes in coporated in programme documents and in implementation strategy (e.g. ck of adaptability may also be a problem. It was suggested evaluators should ask 'When has the ToC been reviewed and how has it been adapted in the light of implementation experience,?)</p>
5.5	<p>Have the recommendations from the mid-term evaluation been sufficiently incorporated into the project?</p>	<p>-ILO Geneva -Field Projects</p> <p>-Semi-Structured Interviews</p>	<p>-Logframe -Objective nationale facilitation capacity document</p> <p>-Desk Review</p>	X	X				