



Evaluation Summaries

Labour Market Project: Better information for creating jobs and developing skills in Vietnam

Quick Facts

Countries: *Vietnam*

Final Evaluation: *June 2011*

Mode of Evaluation: *Independent*

Technical Area: *Skills*

Evaluation Management: *EMP/SKILLS, CO-Hanoi*

Evaluation Team: *Leowinata Sevilla, Smawfield David*

Project Start: *June 2008*

Project End: *June 2011*

Project Code: *VIE/07/02/EEC*

Donor: *European Union, Europe Aid (US\$5,940,556)*

Keywords: *Skills development, job creation*

Background & Context

Summary of the project purpose, logic and structure

Vietnam, a country with an estimated 2009 population of 85.79 million people, has, according to World Bank figures, been one of the best performing economies in the world over the past decade: Vietnam has outperformed many other countries in terms of progress towards achieving the Millennium Development Goals; economic growth is being fuelled by the rising importance of the private sector; huge successes have been achieved in reducing poverty, though challenges continue

in respect of addressing persistent pockets of poverty and poverty among ethnic minorities. Vietnam is now on the threshold of being classified as a middle income country.

In such a dynamic environment, there has been a strong recognition that data about the labour market, and capacity to interpret data to inform policy and practice, have been grossly inadequate. This includes insights relating to skills needs and shortfalls and attendant appropriate responses in the vocational education and training (VET) sector.

The Labour Market Information Project was conceived in response to the above. It has had the following specific objectives, which led to it being formulated with two discrete components:

Component 1: Upgrade human resource development (HRD) planning through a facilitation of analysis and dissemination of data relating to labour market needs and evolution in key provinces and at a central level through the design, development and application of a labour market information system (LMIS).

Component 2: Strengthen the quality and relevance of technical vocational training in order to satisfy public and private sector demand for skilled workers, technicians and skilled technicians.

Purpose, scope and clients of the evaluation

This document comprises the final report of an external “Final Evaluation” of the EC/ILO Labour Market Project undertaken by two international consultants between 9 and 28 May 2011. Evaluation methodology included desk study of documents as well as two weeks spent in Vietnam conducting field visits and with extensive stakeholder interaction. The purpose of the work, as specified in the Terms of Reference of the evaluators, was: to assess the progress made towards the achievement of the project objectives as laid out in the financing agreement; to identify specific constraints affecting the efficiency of the implementation and the effectiveness of the project; and to draw lessons and make appropriate recommendations.

Methodology of evaluation

Elements of the Evaluation Methodology included the following:

- Study of key project and other relevant documents and materials;
- Interviews;
- Focus group discussions;
- Participation in meetings and events;
- First hand observations of project activities, including field visits to 4 provinces: BacNinh, Hai Duong, Nin Binh and Ha Tinh, beside Hanoi;
- Use of workshops, including the convening of a consultation workshop with the project implementation team

on 17 May 2011, and a stakeholder consultation workshop to present and validate evaluation findings, held on 27 May 2011.

Main Findings & Conclusions

Key evaluation findings are presented in relation to: main achievements; the five DAC criteria of relevance, effectiveness, efficiency, impact and sustainability, as well as visibility; and issues and challenges. From these are drawn some lessons and recommendations.

The most significant five achievements for each project component can be summarised as follows, ranked in descending order of their perceived significance - taking into account both the importance of the areas of achievement and the degree of success that has been attained.

The project scores highly against all of the five DAC criteria. However, implementation challenges due to incidences of force majeure that needed to be overcome are highlighted and some vulnerability regarding the sustainability of several TVET areas of intervention is also noted, leading to the drawing of lessons and recommendations.

Among other issues and challenges, the most significant is the challenge to build on the success that has been achieved: to collect and use labour market information in even stronger ways to provide information that will help VET institutions shape their courses and programmes in ways that better match the specific skills needs of the labour market.

Cross-cutting themes such as gender and the environment were not a specific part of project

design and consequently some development opportunities were missed. This provides a cautionary lesson for the design of future projects. Similarly, project experience has demonstrated the importance of building into project design sufficient time for embedding innovation. Last but not least, the importance of international dissemination, know-how, and resource sharing appears to be something that can easily get overlooked and this is consideration that should be kept more to the fore in future project design and implementation.

Recommendations & Lessons Learned

Main recommendations and follow-up

With regard to a longer-term, more strategic, perspective, the project has paved the way for further development interventions. Arguably the most important and logical thing to recommend is to consolidate project investments, including:

1. Additional training and technical support to further increase capacity to collect, process and disseminate labour market information. This includes support at the national level (the LMIC), but a future priority should also include capacity building of DOLISA and ESC staff at the provincial level.
2. Further develop building blocks in LMI, with bottom-up, locally specific labour market data reinforcing macro econometrics data, to further consolidate the evidence base for policy planning that supports strategic national vision, including development of social protection policies. At the same time, the LMIS can serve as a vital source of information able to respond to the immediate needs of both job seekers and employers in rapidly changing realities at different economic hubs.
3. Consolidate linkages between future LMI and TVET work, using the LMI data to inform decisions on demand-responsive skills development.
4. A move towards the development and adoption of a National Vocational Qualifications Framework.
5. Further efforts to secure the shift from emphasis on qualifications to emphasis on competencies.
6. Promoting increased industry involvement in TVET (especially in respect of the bullet points immediately above).
7. The implications of skills standards development for the corresponding development of training standards, course programmes (including the increased relevance and significance of modular approaches), and course materials.
8. Ensure adequate budgetary and human resource allocations to support further scaling up of successful pilots e.g. CB TREE. This may be done through adopting the approach in the National Target Programmes, such as the “Train one million rural workers per year” initiative so that resources earmarked for those can be utilized to their maximum effectiveness. Funds should be allocated for seed money (e.g.

through the Vietnam Cooperative Alliance) and a minimum of one facilitator in each commune.

Important lessons learned

Several lessons can be learnt from the life of the EU/MoLISA/ILO Labour Market Project in Vietnam. Some of the most important ones are as follows:

- a. The importance of mutual respect and trust in relationships among partners, i.e. between the key technical and decision making personnel in BoE and Project Team, and among BoE, EU & ILO as project sponsors, was key to ensuring implementation challenges could be overcome. Time taken to invest in building relationships in the formative period of the project, even at the expense of initial implementation momentum, appears to have been a significant factor helping to explain the degree of eventual project success.
- b. In a country such as Viet Nam, where centralized planning is still the norm, it was important that the project clearly identified the appropriate authority with the mandate to take project outputs forward to scale, for mainstreaming or institutionalizing its outputs and outcomes. This was illustrated by the significance of adhering to Decision #9 to have the skill standards for welding be accepted and seen as a model to be followed.
- c. It is important that introduction of innovations is accompanied by sound need assessments. The success of the CB TREE pilots relative to many other initiatives with larger investments is attributed to the fact that it was well tuned in to diverse needs rather than imposing "one size fits all" packages.
- d. The project has demonstrated how big gains can sometimes be made with

relatively small investments. At the same time it has also shown that well-chosen substantive investment also can yield proportionate results.

- e. The difficulties that force majeure setbacks created for project implementation underscore the vulnerability of projects with a short implementation timeframe.
- f. Cross-cutting themes such as gender and the environment were not a specific part of project design and consequently some development opportunities were missed. This provides a cautionary lesson for the design of future projects.
- g. Sufficient time needs to be built into project design for "embedding" innovation – to rectify any "teething problems", to help make it sustainable, and also learn lessons. The labour market project would have benefited from greater opportunity to see a cohort of learners follow through a programme based on the new learning standards, providing any technical support and advice needed and making further revisions if necessary. Similarly, the assessment and testing centre for welding has not become fully established before the project ends and will miss vital early technical support and guidance.
- h. It is a logical framework convention that a project should have only one purpose. The challenges that a "two purpose" design created for the labour market project were not fully overcome in terms of achieving synergies between the two project components. The experience serves as a lesson and justifies the convention that a project should only have a single purpose.
- i. The project has not paid sufficient attention to the potential of the project website to be a window for international interest in project achievements and

resources – though hopefully this is something that will be addressed in the closing weeks of the project. The evaluators recently experienced the same finding when undertaking a mid-term review of the EC/ILO TVET Reform Project in Bangladesh – suggesting that this lack of attention could easily be a wider project phenomenon and tendency. Recognising the importance of international dissemination, know-how, and resource sharing is therefore a consideration that should be kept more to the fore in future project design and implementation.