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Industry Skill for Inclusive Growth -Phase 2 – Independent Final evaluation

QUICK FACTS

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BACKGROUND & CONTEXT

Summary of the project purpose, logic and structure

The overall goal of the project was to “Promote Skills Development as a Pathway Towards the Inclusive Growth of Economies, Industries and Labour Markets in the ASEAN region.” The project had three outcomes:

Outcome 1 focusing on Indonesia: Skills development policies and system are improved to respond effectively to the changing skills demand of the economy and to take targeted actions to promote decent jobs and skills for young women and men.

Outcome 2 focusing on Philippines: Skills-development mechanisms and response measures are strengthened to contribute to employment outcomes, while ensuring the transition to a sustainable, greener and resilient economy and society, especially for young women and men and vulnerable groups.

Outcome 3 had a regional focus: Regional constituents and partners have increased awareness and understanding of the strategic link between Skills Development and Industrial Relations, in the context of the ongoing global transformations and promoting targeted actions on decent jobs and skills for young women and men - assembled in October 2019.

The project intended to capitalise on the ILO’s expertise and experience in the field of skills’ development and aimed to promote mechanisms and practical approaches that would enable industries and workplaces to become drivers of sustainable and inclusive growth in the ASEAN region.

Present situation of the project

The project was a three-year project, funded by the Government of Japan, with a budget of USD 2.7 Million. It was implemented mainly in Indonesia and the Philippines. The Project started in February 2019 and ended in June 2022.

Purpose, scope and clients of the evaluation

The main purpose of the final evaluation was to fulfil accountability to the donor and to the tripartite constituents, to serve internal organisational learning and to seek suggestions to improve similar

	<p>future projects. The evaluation assessed the extent to which the project had achieved its expected objectives as per the programme logical framework, as well as the effectiveness and efficiency of the implementation and the sustainability of the project's impact. The final evaluation identified the major challenges faced and the action taken to address them, any lessons-learned and good practices for both accountability and learning. The evaluation assessed the alignment of the project's interventions with the ILO's strategic objectives and policy outcomes as well as existing Decent Work Country Programmes (DWCPs), and other developmental frameworks. Finally, the evaluation verified the coordination mechanisms with other ILO interventions. The evaluation covered the implementation period of the project; from its start in February 2019, until the time of the final evaluation, and it covered the key outputs and outcomes (including any unexpected results). The evaluation conducted discussions with the ILO's Programme staff; national counterparts and the developmental partners of the project; the donor, the government of Japan; and the ILO's technical specialists based in Bangkok, Thailand.</p>
Methodology of evaluation	<p>Both qualitative and quantitative evaluation approaches were used for conducting the evaluation. The evaluation fieldwork was qualitative and participatory in nature, as far as the COVID-19 regime in place allowed. The limitation imposed by the COVID-19 regime in place in the two focus countries lead to a situation where qualitative information was obtained through one-on-one and group interviews (face-to-face, Skype, MS Teams, Zoom or telephone) as was convenient for the informants. The stakeholders' opinions improved and clarified the quantitative data that were obtained from project documents. Quantitative data were drawn from project documents, including the Development Cooperation Progress Reports, Mid-term Evaluation Report and the Monitoring and Evaluation Plan (MEP). Data were disaggregated by sex where possible and appropriate.</p>
MAIN FINDINGS & CONCLUSIONS	<p>The project was seen as highly relevant by the constituents and other partners. Although it faced delays and problems in its implementation, the project was successfully implemented. The ILO</p>

has through its projects a significant influence on the policy development in the field of skills. In the current project both the employers' associations and government institutions were very much active and supportive to the implementation whereas the trade unions did not participate actively to the same extent.

Besides skills, the project also contributed to the work of the CO Manila in regaining the attention of the authorities to the green agenda which to some extent had been put aside during the pandemic and the recovery from natural disasters. The ILO has been successful in regaining its position as a leading agency on promoting the green agenda in particular on green skills and green jobs.

The pandemic and the following lockdowns have provided a lot of learning for the ILO on online training. The project showed both the potential of increasing geographical outreach to rural areas and remote islands, and the limitations because of lacking internet connection and access to hard- and software. Also, pedagogical aspects show that not all training is benefiting from an online approach. This learning will be of great value beyond the lifetime of the project.

Relevance

The project was in line with "The Vision of Indonesia 2045" and its policy on developing human resources and entirely relevant to the National Long Term Development Plan of Indonesia (RPJPN 2005-2025). It was also aligned with Indonesia's fourth separate medium-term plan 2020 -2025. The project was also relevant to the Philippine Development Plan 2017-2022, which is based on a 25-year long-term vision entitled "AmBisyon Natin 2040".

Project activities contributed to the achievement of the Sustainable Development Goals 8 and 4.

The project's objectives and activities were highly relevant and contributed to the achievement of the goals under two of four priorities in the United Nations' Sustainable Development Cooperation Framework – Indonesia 2021 -2025 and contributed also to the achievement of the goals set in the United Nations' Partnership

Framework for Sustainable Development - Philippines 2019-2023, and to the specific outcome on prosperity and the planet.

The Project contributed to the ILO's country programme outcomes, which were aligned to the ILO's Programme and Budget 2018-2019 and 2020-21 outcomes and outputs.

Coherence

A strong aspect of the project was that it was backed by evidence from the labour market and economy and was developed in response to skills challenges in the labour market. The project contained a good analysis of the national context in which the project needed to operate and provided clear arguments to justify the intervention.

The stakeholders agree that an educated and skilled population will ensure the sustainability of social and economic developments in Indonesia and the Philippines.

Effectiveness

The project team in Indonesia adapted to the new circumstances of the COVID-19 regime in place and delivered a significant number of online activities. They developed a number of supporting materials, among others: Virtual Pedagogical Skills Guide for Mentor/ Supervisor of quality apprenticeship, Guide for Industry in Developing Competency Standard, Technical Analysis Reports on Public Vocational Training centre (BLK), a rapid assessment/ study on job matching in the ICT sector and feasibility study on e-BLK as well as study on socio economic impact of COVID-19 to employment and skills development.

The project team conducted extensive consultations on the involvement of the industry in the public vocational training centres, promoted quality apprenticeships, developed digital learning products, prepared a number of guides policy notes, assessment, studies and delivered training programmes to a significant number of persons.

The project provided extensive information on sector skill councils. Most of the stakeholders viewed the sector skills councils as a forum through which the employers' associations and trade unions could give significant input to skills' development.

The project facilitated cooperation between the government and Employers Organizations (EOs) on the standardisation of skills, the availability of trainers, the absorption of those people trained by the VET centres, and skills' development at a company level.

The project worked strategically with the hotel and restaurant industry associations to improve the occupational mapping, competency standard, vocational training curriculum development and good practice in implementing quality apprenticeship. This was in addition to activities with the animation industry association focusing on competency standard and vocational training curriculum quality apprenticeship. This securing industry input to the model and supporting the government both Coordinating Ministry of Economic Affairs and Ministry of Manpower in its development of the vocational training based on industry needs.

The **Philippines** component of the project faced significant delays, due to delays in recruitment and staff movement. However, the project managed to deliver results after the implementation was accelerated. Skills Need Assessment methodology became an initial cornerstone and a number of training materials on business continuity were developed. Online training for MSMEs based on ILO-developed training materials was conducted.

The project was foreseen to play an important role in contributing to the greening agenda but, during the pandemic, the governments' attention shifted to handling the emergency challenges coming from the pandemic and added to those natural disasters. It was therefore only towards the end of the project that the project could speed up and regain the attention of partners.

The CO in Manila is paying a lot of attention to the green jobs and green skills agenda and the project contributed well to ILO being a leading agency in contributing to a greening of the economy.

The tripartite **regional** meeting on Industrial Relations and Skills, in 2019, was seen as important by all the stakeholders. For many this event was an eyeopener concerning the importance of good industrial relations and a strong good faith in social dialogue when developing skills and employment-related initiatives. The participants

built on the Japanese experience and understood the importance of dialogue, whether it is basic professional training, re-skilling or upskilling that has to be delivered.

Efficiency

All of the stakeholders expressed their satisfaction with the relationship and cooperation with the project team. The ILO is considered professional, flexible and quality-oriented.

Impact

The development and experiences with using the tools developed for online training provided very valuable knowledge on how to select, assess and develop digital training materials. That knowledge and knowhow could be replicated and used in other projects, and by partners when developing their own tools. The gained experience points to both the benefits and limitations of the online training approach. Informants reported that, in the future, they would be in favour of a mixed/hybrid approach including both off- and online training activities.

The impact on increased employability and productivity might demonstrate the benefits of the training provided, but this would require tracer studies which were not foreseen in the current project. The evaluation sees this as a missed opportunity, but it is also explainable by the challenges that arose from the pandemic. The involved parties however reported that at the short term the impact had been limited.

Sustainability

Partnerships with state institutions that internalise the ILO's material (Republic of Indonesia Ministry of Manpower and NWPC in the Philippines) can be the most crucial aspects of the action's sustainability. For that to happen, the ILO needs to build modality through which the institutions that internalise/ use the ILO produced tools can report back to the ILO on their use of its products and the impact of their application.

RECOMMENDATIONS, LESSONS LEARNED AND GOOD PRACTICES

Main findings & Conclusions

Recommendation 1:

Addressed to	Priority	Time frame	Resources
ILO	High	Long-term	High

In the era of the fast-moving Industrial Revolution 4.0 there will be an increasing need for up- and re-skilling of huge parts of the labour force. As the experiences from the current project shows there is a mismatch between skills provided through the TVET/VET systems and the markets demands. One of the bottlenecks is the approval of professional standards for new professions/educations/trainings by respective authority in each country. The system has to be geared to work faster BUT without losing the high professional standards ensuring that workers get a quality training increasing their employability. The ILO is recommended to develop further initiatives building on the added value of its unique tripartite DNA.

Recommendation 2:

Addressed to	Priority	Time frame	Resources
ILO and constituents	High	Long-term	Low

The skills development especially among young women and men is challenged by the bad reputation of the apprenticeship. Many employers exploit the trainees as cheap labour rather than investing in them as the future of the industry. Also, EOs recognize that there are problems that need to be solved to be able to attract young people to the industry. The Project has developed materials and webinars for the implementation of quality apprenticeship. This and the high value of training that combine theory and practice should be further promoted. Many countries have succeeded in this so there are experiences to build on for the ILO and constituents in future interventions.

Recommendation 3:

Addressed to	Priority	Time frame	Resources
Government	High	Long-term	High

Governments are recommended to secure that maximum access is provided to both hard- and soft-ware when developing online

training. This is to avoid vulnerable groups being further marginalized. The establishment of computer/internet hubs in villages could eventually be a way forward to overcome these challenges at the least partly if action is not taken the digital gap can increase even more in the future.

Recommendation 4:

Addressed to	Priority	Time frame	Resources
ILO/ACTRAV/trade unions	Medium	Long-term	Medium

The ILO is recommended to follow up with trade unions in Indonesia on policy development on skills. The Indonesian trade unions have taken first steps to develop a policy on skills, but more efforts are needed to broaden out the understanding to all unions at all levels down to factory level. Education and training are becoming a constantly increasing demand and the workers have to be prepared for the many new challenges and the trade unions should be able to formulate their demands and proposals to the other social partners.

Recommendation 5:

Addressed to	Priority	Time frame	Resources
Donor	Medium	Long-term	Low to none

The year-by-year allocation of funds has a negative impact on HR management and force the ILO to sign short term contracts – one year or less. This again can lead to a higher staff turnover than if there were funding in place for the whole project period. At the same time, it affects the multi-year planning at country level and conditions the strategy the ILO develops to deliver outputs over the program's duration. It is recommended to commit funding for the full program period to accommodate for a strategic approach in program implementation. ILO is recommended to avoid short-term contracts as much as possible.

Main lessons learned and good practices

Lessons-learned

Due to the COVID-19 pandemic regimes in place all training activities were transferred to online training. Even though efforts were made

to moderate the training materials to fit to the new training approach, the experience showed that for most training activities the physical face-to-face training is preferred by stakeholders interviewed. A relatively high level of drop-out from the training was reported compared to offline training. It also appears that the subject of the training has an impact on the success rate as there are subjects with a more “natural” online link e.g. training in web-platform development, business management services, animation and similar. Other subjects of more practical/technical character and soft skills like interpersonal communication and teamwork will benefit from training with physical presence.

During the pandemic online training was given priority as this was the only option for conducting training, but some training providers also see this as a very cheap way to conduct training. The lesson learned is that the quality in many cases suffers from the lack of physical presence. The drop-out rate is reported to be significantly higher when training is conducted online. It is also reported that the on-line training might exclude some of the most vulnerable groups as they cannot afford the needed hard- and software required for the training. The online training is cheap for the training providers and can help with a larger geographical reach out. The ILO should use the on-line training as much as possible but also be critical towards its limitation. Informants suggested a mixed/hybrid approach where both on- and off-line training methods are used.

Emerging Good Practices

The ILO’s skills projects are connected and have the same direction. The joint work of the Indonesian projects on skills is an example of an emerging good practice in its approach to the stakeholders. This skills cluster of ILO projects presents overall ILO assistance in skills areas to the tripartite constituents in a systematic and unified way. The ILO’s constituents can see the logical connections and consistency of the ILO’s work in the area of skills. This means that there is one joint steering committee for all the skills related projects in Indonesia, which has quarterly meetings. The risk of overlapping and gaps are minimized. The less meeting frequency makes it more likely that constituents’ top political leaders will join the meetings and by that can a stronger political ownership be established among constituents.

The project delivery towards beneficiaries will be improved. Donor attention can be increased as stronger projects can/will be developed. The link to the DWCP and contribution to meeting the DWCP targets will be increased through the stronger ownership among constituents to the implementation of the DWCP. Through this the projects will contribute even more efficient to meeting the CP Outcomes and ILO strategic targets.

Disability considerations are clearly an important factor for attention from a rights and inclusion perspective in any ILO engagement. The evaluation finds it encouraging to note that in Indonesia, the project has made online content available for persons with disabilities by including text (for the persons with deafness) and voice (for the persons with blindness). The evaluation finds this a good emerging practice that can help to open a more inclusive labour market. Especially people with hearing and seeing disabilities will have good chances for entering the labour market as the digitalisation is progressing in all sectors of the economy. The inclusion of text and voice in online training activities today is not so much a technical challenge but rather an economical priority decision; but with new digital solutions developing, it would be a realistic cost to cover in most programs and projects. The ILO can introduce the practice in all programs and projects, and it will be easy for other agencies and partners to introduce the same if the approach is given priority. The introduction of text and sound in training activities will support the ILO's overall orientation towards an inclusive labour market.