



Evaluation Summary



International
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Mid-Term independent evaluation of the ILO Sustaining Competitive and Responsible Enterprises (SCORE) Programme, Phase III.

Quick Facts

Countries: SCORE Global, Bolivia, Colombia, China, Ghana, Indonesia, Viet Nam.

Evaluation date: Sept. 2019 – Feb. 2020

Evaluation type: Independent mid-term

Administrative Office: ILO SME Unit

Technical Office: SME, Enterprises

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Donor(s) & Budget: SECO, NORAD
(US\$ 19,400,000)

Keywords: SMEs, Enterprises, Evaluation

Background & Context

Summary of the project purpose, logic and structure

The Sustaining Competitive and Responsible Enterprises (SCORE) programme is an ILO development cooperation programme seeking to promote productivity, competitiveness and decent work amongst Small and Medium-sized Enterprises (SMEs) in emerging economies. Through better people management and organisation of work processes and

practices, guided by the principles of international labour standards, this leads to improvements in SME productivity and working conditions, plus higher profits and decent work. Workers are intended beneficiaries; intermediary beneficiaries are employer / industry associations, training providers, government departments, lead buyers, national / sectoral trade unions and labour inspectorates. SCORE Training is the main intervention. Three waves of change comprise the over-arching Theory of Change for establishing a sustainable training programme: 1) finding partner institutions and proving the concept underlying SCORE Training; 2) further adoption and adaptation of SCORE Training by other actors; and 3) government policy reforms relating to productivity. SCORE is centrally coordinated (ILO Geneva); 11 country offices (Africa, Latin America, Asia) manage country-level implementation.

Present Situation of the Project

Phases 1 and 2 of the programme established SCORE Training in various target countries. Phase III began in 2017. It has two stated outcomes: i): IPs have embedded SCORE Training in national programmes and budgets; ii): Lead buyers support suppliers through SCORE Training. Phase III funding ends Oct. 2021.

Purpose, scope and clients of the evaluation

The mid-term evaluation (MTE) concerns the Phase 3 (Nov. 2017 to Nov. 2019). The four evaluation criteria are: 1) Relevance and strategic fit of the intervention, including validity of intervention design; 2) Intervention progress and effectiveness, including

effectiveness of management arrangements; 3) Efficiency of resource use; 4) Impact orientation and sustainability of the intervention. The MTE assesses technical, institutional and financial dimensions of sustainability. The MTE objectives are: i) To independently assess the progress of SCORE Phase III against the logframe; ii) To inform the ILO on whether the current project strategy is working, and provide recommendations on what could be changed to increase the likelihood that the project reaches its objectives; iii) To inform the ILO on feasible sustainability and exit strategies of SCORE Programme based on the assessment of each country's approaches; iv) To identify good practices and lessons learned that would contribute to learning and knowledge development of the ILO and project. Primary clients are donors and the ILO, but since SMEs have received much less attention than global companies with respect to decent work, the lessons have potential utility to the wider community of practice seeking to advance decent work, better working conditions and environmental sustainability in both territorial, as well as, global markets.

Methodology of evaluation

Theory based evaluation underpinned the MTE, an approach well suited to a multifaceted interventions in complex contexts. Data was gathered to test the Phase III theory of change and analyzed to answer the evaluation questions. Field research covered four countries chosen by ILO (Colombia, Ghana, Indonesia, Viet Nam), plus a visit to ILO Geneva. Desk reviews were completed (Bolivia and China). Analysis of gender sensitivity was addressed as a cross-cutting issue. Methods included: programme documentation; secondary information analysis; purposively selected, semi-structured stakeholder interviews. The team triangulated data sources and stakeholders to counteract potential methodological biases, but field research was limited in scope.

Main Findings & Conclusions

The technical dimension to SCORE is strong, and adaptive improvements made to content for new sectors, issues, and users. SCORE provides high quality materials and adaptive training methods, distinguishing it from other types of SME capacity building. Several national programmes have adapted

the content for new sectors (e.g. SCORE HoCo for the hospitality and tourism industry), issues (e.g. MIG SCORE on gender) or audiences (e.g. SCORE-inspired training for smaller and micro-enterprises; social and solidarity economy organisations). The unique features of SCORE (e.g. the social justice component, the inclusion of in-factory training /consultancy) are not always valued by enterprise owners or prospective funders, but this is not an inherent flaw of materials or methods.

The institutional dimension is being addressed through capacity strengthening of local IPs, outreach to lead buyers, and training of trainers. Overall performance varies significantly with country context. IPs are active in each country and engaged in different facets necessary to sustain SCORE Training. The level of independence from the SCORE Programme varies between countries, although it has increased in all countries over the course of Phase III. China and Indonesia exhibit strong examples of IPs able to increase their training of enterprises, develop training capacity, market training programmes and independently attract non-ILO funding. Greater independence complicates the capturing of the full impact programme impact. However, not all countries have IPs exhibiting the capacity to carry SCORE Training forwards beyond Phase III; more a factor of opportunity rather than capability (the product is not always suited to local market conditions). In these cases, the influence of SCORE Training, outside a small number of SMEs, will only grow if IPs receive further donor funding, but continuing barriers in some countries potentially implying an alternative approach.

The financial dimension is being addressed by helping IPs to develop alternative (public, private) funding models and encouraging lead buyers to promote or sponsor SCORE Training in their supply chains. The latter has been a specific emphasis in Phase III but has not brought the results hoped for. Assumptions about the presence of lead buyers and their willingness to provide funding were overly optimistic: international lead buyers have been especially hard to engage for diverse reasons (e.g. decision-making processes, degrees of reputational risk or other incentives for action, alignment of SCORE Training with company's own programmes). SCORE

national programmes have often been innovative in identifying funding for training; this is important because enterprises in many cases have been unwilling or unable to pay. Various causes include a lack of capital, availability of free or cheaper alternatives, a culture of government subsidy, insufficient time or absorptive capacity, lack of recognition such as training certification. Some of the reasons were recognized, and addressed in early phases (e.g. the need for a mixed funding model because of SMEs' traditional underinvestment in training), and some have been tackled as the programme has progressed (e.g. development of alternative SCORE-based training modules taking into account SME constraints). In some countries, public or donor funding is being invested in what are viewed locally as competing offerings, and IPs are unsure about SCORE Training's long-term viability without continued external funding. Every country programme is seeking to address long-term funding issues and there are clear success stories, but if staff contracts end prior to the end of Phase III then this could undermine such efforts.

Other findings are as follows:

SCORE national programmes are generally aligned with ultimate beneficiary needs. SCORE Training is high quality, with content relevant to target groups. New issues emerge, so content innovation could continue (e.g. climate mitigation and adaptation, disability etc). In some countries (e.g. Indonesia, China, Colombia, Viet Nam) there many underserved SMEs, but demand may be limited as owners do not always prioritize training for investment, especially without clear demonstration of business benefits. Business development services markets can be distorted by government subsidies, which are not necessarily accessible to SCORE partners.

The programme has succeeded in engaging with a wide variety of intermediate beneficiaries, including other development projects. Progress has been achieved in engaging ILO tripartite constituents, including trade unions, but some SCORE countries are weak on freedom of association, and unions are not typically active amongst the SCORE target group.

National SCORE teams have made significant efforts to adapt to local situations. Phase III represents a significant step forwards in terms of

devolution of management authority (e.g. IPs; national programme offices). The overall programme design continues to affect impact, e.g. a false assumption about lead buyers in some cases means that all countries must commit resources to Outcome 2 (lead buyer engagement) even when such intermediate beneficiary are few or absent.

Adaptations have been made; More regular review and testing of assumptions for adaptive management is possible. Difficulties in getting SME buy-in to a five-module training programme were identified in Phase II, and this led to revisions and new offerings such as a SCORE Short Course. Laudably, SCORE has modified its training in response to market demand, and expert trainers have been able to adapt materials to local SME needs. In hindsight SCORE's impact might have been greater if factors influencing success had been clarified, such as the competitive landscape, SMEs' absorptive capacity, and costs and benefits of training had been properly factored into the choice of countries for implementation. Where certain preconditions are not in place, a multi-stakeholder social learning approach may be an alternative (e.g. via linked sub-regional and national learning alliances).

Positive improvements in the programme's approach to gender equality are observed, especially a new Latin American gender adaptation of SCORE, but limits to progress relate to programme design. SCORE Programme has a gender equality strategy that tasks the programme to address areas such as gender-equal participation; mainstreaming of gender in programme data collection, M&E of impact; and awareness building about the problems of workplace sexual violence and harassment. Components of the strategy are evident in activities such as enterprise-level training, Training of Trainers and awareness-raising events. The programme has attempted to move away from a focus on increasing numbers of women participating to efforts to design benefits that respond to women's interests. The gender impact could have been greater had this approach been adopted earlier (e.g. gender criteria for selecting industries; gender budgets), but recent shifts are positive. It is encouraging to see that Latin America SCORE is paying significant attention to gender (e.g. MIG SCORE training).

Output performance is good, but linkages to outcomes are uncertain. SCORE is achieving its output targets, but with differences between countries. In some countries, outputs indicators (e.g. % cost recovery) suggest a more positive picture about sustainability than is perhaps the case. There is a possibility that national programmes are pursuing quantitative targets despite these having weak relationships to outcomes (e.g. Some countries are investing in attempts to engage lead buyers [Outcome 2], even when lead buyers are absent or uninterested). Performance on the two key outcome indicators (number of lead buyers promoting and sponsoring SCORE Training), is much lower than anticipated. Only one country meets each target reflecting the incorrect assumption that lead buyers *in all countries* would be an effective leveraging point. SCORE national programmes and SCORE Geneva have sought to engage lead buyers; relatively few have been willing to go beyond workplace auditing to building supplier capacity.

Recommendations

Main recommendations and follow-up

1. Contracts for national programme personnel should be extended until the end of Phase III. Progress is being made with IPs capacity strengthening, but it would be a false economy to stop this too early if it had a negative impact on SCORE Training sustainability. *Priority: High. Action: CTA & Regional Coordinators. When: Short-term, Resource implication: Medium.*
2. Undertake a review of output and outcome relationships in the theory of change and ensure that the programme is investing in areas that are most likely to maximize impact. Particular attention should be paid to Immediate Objective / Outcome 2 where assumptions about lead buyers are proving problematic. *Priority: High. Action: SCORE national and global managers. When: Short-term, Resource Implication: Low.*
3. Promote new gender-lens SCORE Training innovation (MIG SCORE) in all national programmes because of its potential benefit for women workers and to encourage a debate about gender mainstreaming in SMEs. Consider support for new content innovation as well in emerging areas. *Priority: Medium-High. Action: SCORE national & global managers, MIG SCORE trainers. When: Medium-term, Resource Implication: Medium.*
4. Take steps to develop a more ‘impact-oriented’ M&E system. Support IPs to assist their efforts to promote and maintain the quality of SCORE Training if/when ILO support ends. Undertake pilots in selected countries to identify and demonstrate the kind of outcome and impact-data that it is feasible to collect. Data should be collected on fewer indicators and a sub-set of countries, enterprises and impact pathways, to concentrate resources into generating more robust evidence on priority causal steps and assumptions. Beneficiary and intermediary beneficiary feedback should be included. Regular reflection and learning loops should be established. Final evaluation to be theory based, involve surveys of intermediate and ultimate beneficiaries and comparative case studies to test key causal steps and assumptions, use of ‘Most Significant Change’ and Contribution Analysis to assess the relative contribution of the programme. *Priority: Medium-High. Action: ILO EVAL. When: Short-term, Resource Implications: Medium.*
5. Consider employing social learning processes in future programmes, recognizing the importance of local ownerships and sustainable delivery. Properly facilitated SL processes are strongly supportive of the adaptive, bottom-up approaches that have become more prominent in Phase III. SCORE managers and other relevant ILO personnel should be capacitated to include social learning in programme design and management. National and sub-regional learning alliances could be piloted in one or two countries in the remainder of Phase III to jointly identify problems and solutions, building momentum for action. Support peer learning at worker and at SME owners and manager levels in *all* SCORE countries, creating communities of practice which could continue beyond 2021. Document successful examples. *Priority: Medium-High. Action: SCORE regional coordinators, national managers. When: Medium-term, Resource Implication: High*
6. Continue to add to its own and ILO’s wider learning on engaging lead buyers by: a) in addition to engaging US-headquartered global brands, SCORE Global could engage with global brands headquartered in India, Korea or China which in many countries are at least as important. Second, in addition to looking to lead buyers as a financial sponsor, they could be looked at as a source of expertise (e.g. making expertise in quality control or product engineering in their companies and supply chains available to SMEs).

*Priority: Medium-Low. Action by: CTA. When: Medium-term,
Resource implication: Medium.*