

# Working Aid on the Use of Common Outcome Indicators (COI) in Vocational Skills Development (VSD) Programmes



March 2019

## → Background

### Common outcome indicators for learning and reporting

Reporting on the results of development cooperation and particularly vocational skills development (VSD) has become more and more important during the last years: What did the programme or the overall Swiss intervention in the sector change? Did it have any sustainable effect on the system of intervention? Do we observe a positive change for the targeted people, organisations and institutions due to programme activities? If yes, what kind of change can we identify?

Following SDC's VSD portfolio evaluation in 2010/11, SDC management strongly suggested developing and testing Common Outcome Indicators (COI) for VSD programmes. In the years 2012/13 a working group, comprising SDC field and headquarters staff as well as staff of strategic partners developed a working aid, based on the four key outcome dimensions **outreach, relevance of training, gainful employment and system change**<sup>1</sup>.

To respond to new challenges related to the growing portfolio of very diverse VSD projects, the e+i network decided to revise the COI and to update the present working aid, based on manifold feedback from users in the field and at headquarters. The revised working aid will be consulted with the e+i and Education networks in preparation and during the F2F meetings in May 2019.

The COI are intended a) to make it easier for programmes to measure and report on their results in a credible way and on that basis support the steering of programmes and b) to promote learning across SDC. The e+i Focal Point strongly suggests that the COI should be used at both levels: the project/programme level (logframes or similar) and the country strategy level (results frameworks). Depending on a programme's focus, not all four key outcome dimensions and related indicators may be equally relevant (see guidance on pages 4 and 5).

With regards to the introduction of the Aggregated Reference Indicators (ARI) in 2016, it is important to understand that the ARI have never been intended to replace thematic outcome indicators (!), but to complement them and allow for a better aggregated reporting and communication towards the Swiss public and parliament. Using the COI defined in this working aid, a reporting on the relevant ARI for the current dispatch as well as future ARI systems should be possible without significant additional workload.

<sup>1</sup> The common outcome indicators have been inspired by advances in result measurement in private sector development, such as the Donor Committee for Enterprise Development (DCED) standard, and by efforts of other donor agencies such as BMZ and GIZ.

## → General remarks

### Alignment and harmonisation

The international commitment on aid effectiveness leads among other things to programme-based and sector-wide approaches. Therefore, a certain standardisation among donors is not only desirable but is a prerequisite for common action. Indicators should be easily understandable and acceptable for local partners (alignment) and other donors (harmonisation). Highlighting their contribution to the Sustainable Development Goals (SDG) may be helpful.

Furthermore, SDC suggests considering national monitoring systems (as well as national quality assurance and accreditation systems of relevance for education providers) when designing and planning a new programme. In many cases local partners will have to report on these indicators or similar ones in any case. SDC programmes should always make use of local resources and be aligned with given systems.

### Status and user of the Working Aid

This working aid provides guidelines on how to work with the four key outcome dimensions and the corresponding COI for SDC's VSD programmes. It is an easy-to-use support instrument for all phases of the project cycle. It does not replace or compete with the existing instruments for planning, results measurement and M&E, but aims to complement these and simplify M&E endeavours. SDC as an organisation requests all programmes to report on outcome level in its reporting formats (annual report, end of phase report). A certain standardisation in reporting will make life easier for programmes and will allow SDC to publicly account for its activities.

The users of the indicators and this working aid are the SDC cooperation offices, SDC headquarter staff, programme implementers and consultants mandated by SDC. The working aid is not a compulsory SDC guideline to be applied by all country offices and programmes. However, the use of the COI is highly recommended by the e+i Focal Point and the SDC's Quality Assurance.

### Focus of the Indicators

Although they are called Common *Outcome* Indicators, you may find that some of the indicators may rather be at output or even at impact level.<sup>2</sup> This depends very much on your programme's approach and theory of change (for example: if a programme itself provides training to youth, the indicator 'participants reached' can be considered as output level. However, if a project focuses on capacity building for a VET authority, then the output would be a better functioning of the authority, the outcome a better steering of the VET system and 'participants reached' could be considered as an outcome 'at higher level' in the results chain). In this working aid, to keep things simple, we will however stay with the term Common *Outcome* Indicators for all the COI.

### Selection and use of the COI

On the next pages, the four key outcome dimensions and the COI are presented, followed by some recommendations on the selection of COI corresponding to the focus of your programme(s), based on the SDC's VSD Typology. It's important to carefully select the right set of indicators that really reflect the focus and expected results of your activity. If a programme's focus lies for example on improving the quality of the qualifications framework, its effects on outreach and employment are only indirect and attribution to the intervention may be difficult. In this case – depending on the specific focus of the intervention – employment may not be a suitable *outcome* indicator.

In the Annex to this working aid, most outcome indicators are described in more detail and further hints and tips on monitoring and data collection as well as good practice examples are provided. This Annex has not yet been fully updated, an update can be expected in late 2019.

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<sup>2</sup> Therefore, the Donor Committee for Enterprise Development (DCED) for example considers job creation and higher incomes as 'income indicators', while gainful employment is considered as an 'outcome' in this document.

→ Four key outcome dimensions of VSD projects and related Common Outcome Indicators (COI)

	Indicators	Corresponding ARI	SDGs
Outreach	<p><b>1a) Participants reached in VSD:</b> Individuals (reached directly and indirectly) having access to VSD (total and % of population), disaggregated by gender, age and LNOB*</p> <p><b>1b) Participants reached through employment services:</b> Individuals (reached directly and indirectly) having access to employment services such as information/guidance/placement (total and % of population), disaggregated by gender, age and LNOB*</p> <p><b>1c) Teachers and trainers reached:</b> Teachers and trainers trained (reached directly and indirectly) (total and % of staff nationwide), disaggregated by gender, age and LNOB*</p> <p><b>1d) Organisations and institutions reached:</b> Organisations and institutions reached (total and % of institutions nationwide)</p>	<p><b>EV3:</b> xx youth (15-24 yrs) and yy adults (&gt;24 yrs) (M/F) gained access to improved vocational skills. Out of these, zx youth and zy adults (M/F) received vocational skills training combined with basic education on the one hand, and on the other hand wx youth and wy adults (M/F) gained access to gainful employment or self-employment</p> <p><b>EV2:</b> yy educational personnel and teachers trained (M/F), xx vocational skills development personnel and teachers trained (M/F)</p>	<p>4.3, 4.4, 4.5</p> <p>8.6</p> <p>4.c</p>
Relevance of training	<p><b>2a) Exam pass rate:</b> Students/apprentices passing exams or other skills validation (total and % of trained), disaggregated by gender, age and LNOB*</p> <p><b>2b) Graduates in jobs or further learning related to the training:</b> Graduates working in a job related to the training or continuing in any form of organised learning in VSD or general education (% of trained), disaggregated by gender, age and LNOB*</p> <p><b>2c) Skills of graduates:</b> Skills of graduates (% of trained) assessed as relevant for the workplace by the graduates themselves, employers or customers, disaggregated by graduates' gender, age and LNOB*</p> <p><b>2d) Graduates' assessment of personal development:</b> Life skills and training's contribution to personal development assessed by the graduates themselves, disaggregated by graduates' gender, age and LNOB*</p> <p><b>2e) Private sector involvement:</b> Companies participating in vocational skills development and its governance, disaggregated by Swiss, international and local companies</p>		<p>4.4</p>
Gainful employment	<p><b>3a) Employment:</b> Individuals (reached directly or indirectly) in employment and in self-employment (total and % of graduates), disaggregated by gender, age and LNOB*</p> <p><b>3b) Incomes:</b> Individuals (reached directly or indirectly) with increased incomes by XX % or above minimum wage (total and % of graduates), disaggregated by gender, age and LNOB*</p> <p><b>3c) Return on investment:</b> Average numbers of months the participants have to be gainfully employed to generate benefits that outweigh the initial investment by the programme into their empowerment/training</p>	<p><b>EV3:</b> xx youth (15-24 yrs) and yy adults (&gt;24 yrs) (M/F) gained access to improved vocational skills. Out of these, zx youth and zy adults (M/F) received vocational skills training combined with basic education on the one hand, and on the other hand wx youth and wy adults (M/F) gained access to gainful employment or self-employment</p>	<p>8.5, 8.6</p>
System change	<p><b>4a) VET system reform:</b> Qualitative indicator, taking into account: changes in policies, legal frameworks, capacity building, system's financing, qualifications frameworks, standards, certification, curricula and other aspects relevant to the project/programme incl. LNOB</p> <p><b>4b) Labour Market system reform:</b> Qualitative indicator, taking into account contributions to improved functioning of labour markets and in particular the four pillars of the Decent Work Agenda: employment creation, social protection, rights at work, and social dialogue</p> <p><b>4c) Replication:</b> Qualitative indicator, reporting on replication / adoption (including partial adaptation) of SDC's model by the responsible training authorities or by other development actors, including public funds made available for replication (or adaptation)</p>		<p>4.3, 4.5,</p> <p>8.3, 8.5, 8.8</p>

\* Leave no one behind (LNOB) indicator to be developed based on the programme/country context, taking into account relevant factors of disadvantage, such as ethnicity/caste, social/legal status (e.g. refugee), (minority) language and/or geographic location.

## → Selecting Common Outcome Indicators for your project/programme, based on SDC's VSD Typology

When planning a new intervention or when developing the M&E framework for your project/programme or country strategy, please keep in mind that not all indicators may be equally important and relevant to your specific context. Based on the narrative or theory of change of your project/programme you should be able to identify key objectives and related outputs and outcomes. As indicators are meant to measure the *specific* results of each project/programme, you may then have to prioritise outcome dimensions and define which set of COI are suitable to measure the intended results of your intervention.

### The SDC's VSD Typology

The SDC's VSD Typology<sup>3</sup> emphasises that VSD serves different purposes and produces different outcomes. It structures the landscape of possible VSD interventions in a two-dimensional co-ordinate system, as explained below. It is however important to understand that most projects are not either black or white, they may also be somewhere in between and include elements of different prototypes. Nevertheless, it is important to be clear about a project's (or project component's) main objectives and approaches.

#### The policy orientation of an intervention (horizontal axis)

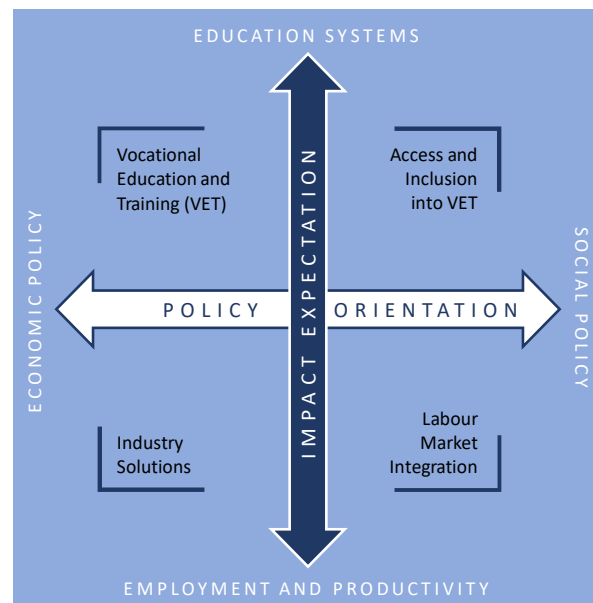
In the long run, VSD must serve both social *and* economic objectives, but individual projects or project components are usually designed to pursue during their lifetime either more social or more economic objectives:

- **Economic policy objectives** respond to the existing labour market demand and aim at improving the quality, productivity, competitiveness and innovation capacity of the national economy, of industries, and of individual companies. At the level of individuals, economic objectives include qualification for quality jobs and attractive career paths.
- **Social policy objectives** respond to the social demand of young school-leavers, pursue the labour market integration of the unemployed, or facilitate the access and inclusion of any group with specific barriers hindering their participation in educational programmes.

#### The intended impact of an intervention (vertical axis)

In the long run, VSD needs both, establishing sustainable national education systems on the one hand and having an impact on individuals in terms of productivity, competitiveness, employment and income on the other hand. However, specific interventions adopt different approaches in order to achieve the expected impact during the lifetime of the project.

- Either they contribute primarily to the long-term goal of developing **sustainable national educational capacities and (inclusive) VET systems**;
- Or they are designed primarily to achieve an immediate and measurable impact on **reducing unemployment, underemployment or increasing productivity**.



The table on the next page provides some hints on the relevance of each COI for some broadly defined categories of projects, as depicted in the VSD Typology.

<sup>3</sup> You can download the entire Typology from the e+i shareweb ([www.sdc-employment-income.ch](http://www.sdc-employment-income.ch)).

## → Common Outcome Indicators (COI) by project category

		Vocational Education and Training	Access and Inclusion into VET	Industry Solutions	Labour Market Integration
<b>Outreach</b>	1a) Participants reached in VSD	Recommended (depending on approach)	<b>Key outcome</b>	<b>Key outcome</b>	<i>Only if reasonable</i>
	1b) Participants reached through employment services	<i>Only if reasonable</i>	<i>Only if reasonable</i>	<i>Only if reasonable</i>	<b>Key outcome</b>
	1c) Teachers and trainers trained/reached	Recommended (depending on approach)	Recommended (depending on approach)	Recommended (depending on approach)	<i>Only if reasonable</i>
	1d) Organisations and institutions reached	<b>Key outcome</b>	<b>Key outcome</b>	Recommended (depending on approach)	Recommended (depending on approach)
<b>Relevance of training</b>	2a) Exam (or other skills validation) pass rate	Recommended (depending on approach)	Recommended (depending on approach)	Recommended (depending on approach)	Recommended (depending on approach)
	2b) Graduates in jobs or further learning related to the training				
	2c) Workplace skills of graduates				
	2d) Graduates' assessment of personal development				
	2e) Private sector involvement	Recommended (depending on approach)	<i>Only if reasonable</i>	<b>Key outcome</b>	<i>Only if reasonable</i>
<b>Gainful employment</b>	3a) Employment	<i>Only if reasonable</i>	Recommended (depending on approach)	<b>Key outcome</b>	<b>Key outcome</b>
	3b) Incomes		<i>Only if reasonable</i>	<b>Key outcome</b>	Recommended (depending on approach)
	3c) Return on investment				
<b>System change</b>	4a) VET system reform	<b>Key outcome</b>	Recommended (depending on approach)	<i>Only if reasonable</i>	<i>Only if reasonable</i>
	4b) Labour Market system reform	<i>Only if reasonable</i>	<i>Only if reasonable</i>	Recommended (depending on approach)	<b>Key outcome</b>
	4c) Replication	<b>Key outcome</b>	<b>Key outcome</b>	<b>Key outcome</b>	<b>Key outcome</b>

## → The key outcomes and its COI in detail

The following four chapters cover each of the key outcomes:

- definition of key outcome
- identification of common outcome indicators (COIs)
- hints and tips on monitoring and data collection
- application examples and monitoring and evaluation (M&E) tools

## Outreach

### A. Definition of key outcome

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**Definition**

**Outreach** is defined:

i) *on output level* as the number of the target group reached by a project or programme compared to the total target group on regional *and* on national level. Outreach is therefore always measured in percentages.

Outreach refers to three target groups:

- a) *Trainees* benefitting directly (e.g. in pilot classes) or indirectly (e.g. by being trained using new curricula or testing and certification schemes)
  - b) *Trainers and staff of the training provider or other targeted institutions* (e.g. teaching staff, counsellors, others)
  - c) *Organisations/institutions which are providing training and/or employment services* (e.g. vocational schools, training providers, testing centres, centres for further education or in-service training, organisations offering vocational guidance, private businesses offering in-service training, unions etc.)
- ii) *on outcome level* as the extent to which replication and scaling-up of the model promoted by the programme take place.

Limitations:

- Target groups reached directly (e.g. pilot class participants) and indirectly (e.g. participants benefitting from new curricula on national level) must be differentiated and cannot be compared. Nevertheless, both direct and indirect outreach should be assessed.
- Using references is decisive but not an easy task. The total number of participants, trainers trained or organisations/institutions targeted is well known. However, a reference is needed in order to create percentages: the size of the target group at regional<sup>4</sup> and national level (e.g. a project targeting young Sinti and Romani women between 15 and 25 years old in a certain region of a country would reference all young Sinti and Romani women between 15 and 25 years old in the region *and* countrywide).
- Comparability among projects and programmes will be possible only to a very limited extent. The time and effort needed by all actors to make these data comparable are disproportionate.
- Each project or programme should be able to report on at least one of the suggested levels (participants, trainers, and organisations/institutions).

### B. Common outcome indicators

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- 4a Percentage of participants reached directly and indirectly compared to the total number of the defined target group at regional *and* at national level.
- 4b Percentage of trainers and counsellors reached directly and indirectly compared to the total number of the respective staff in all training providers nationwide.
- 4c Percentage of organisations/institutions reached compared to the total number of the respective organisations/institutions nationwide.
- 4d Model replicated by another organisation/institution/actor
- 4e Model replicated by the responsible training authority
- 4f Public funds for model replication made available

Indicators 4a and b should be measured in a gender-disaggregated way. All indicators should be further disaggregated if necessary in the given context (e.g. minority issues, geographical criteria, others).

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<sup>4</sup> "regional" means a political entity below nation state level.



### C. Data collection and monitoring

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1. *Who should do it?*

- Primary data need to be collected by the programme staff.
- Referencing is up to Swiss Cooperation Office staff but should be done in consultation with the programme staff.
- Data regarding replication and scaling-up is collected by Swiss Cooperation Office staff (policy and thematic monitoring).

2. *How should we do it?*

- Compare programme data to national system data on an *annual basis* and *cumulatively* regarding programme phase duration and complete programme duration.
- Referencing is decisive: use the size of the target group on regional *and* national levels (e.g. if the project or programme addresses trainee bricklayers in two schools then compare with all trainee bricklayers in that region *and* nationwide).

3. *When should we do it?*

- Within the usual reporting rhythm
- For replication: ex-post evaluations provide important data on longer-term achievements of model projects.
- Make a link to SDC's results tools: to determine the dates of the reporting, refer to the (yearly) progress reports by partners, the end of phase reports (programme level) and the annual reports (cooperation strategy).

4. *What are the typical problems we might encounter and how should we cope with them?*

Typical challenges encountered	Useful remedies and workarounds
Missing references at national level when targeting special needs groups or specially designated target groups	Conduct expert interviews and make plausible estimates in case of lacking data
Scaling-up does not take place within the project duration or we do not know whether it took place elsewhere	Broach the issue of scaling-up at donor coordination meetings and at meetings held with competent public agencies.

5. *What are the major lessons learnt?*

- Referencing data is feasible and provides important information for estimating programme outcomes regarding the other common outcome indicators as well as further project-specific indicators.
- 4a: Be aware of the fact that for many projects the percentages will be extremely small if compared to the defined target group.

### D. Examples of application and existing tools

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- We are happy to find out about good examples! Please contact the e+i Focal Point



## Relevance of training

### A. Definition of key outcome

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**Definition**

**Relevance of training** is defined as the extent to which the training has taught the competencies, skills and attitudes which are demanded by the labour market and which are needed to continue further (vocational or general) education.<sup>5</sup>

Limitations:

- Relevance of training is a concept directly linked with the concept of training quality, which can be considered as a multi-dimensional, relative and context-related concept.
- Relevance of training does not give immediate information about employability. This information can only be traced and gathered by asking graduates and employers (→ see also key outcome *gainful employment*)

### B. Common outcome indicators

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- 3a Percentage of students passing exams (skills test pass rate)
- 3b Percentage of participants who work in a job related to the training
- 3c Percentage of trainees continuing in any form of organised learning in VSD (formal and non-formal) or in general education
- 3d Graduates' assessment of the relevance of the acquired competencies, skills and attitudes for the workplace.
- 3e Employers' or customers' (in the case of self-employed graduates) assessment of the relevance of skills, competencies and attitudes of the graduates.

For 3d and 3e the following scale is applied:

- 5 = contributed to a very significant extent
- 4 = contributed to a significant extent
- 3 = contributed to a moderate extent
- 2 = contributed to a small extent
- 1 = contributed to a very small extent
- 0 = no contribution achieved
- n = no contribution planned

The assessment should be comprehensible and be illustrated by comments and key data on the issue.

All indicators should always be monitored in a gender-disaggregated way. Indicators should be further disaggregated if necessary in the given context (e.g. minority issues, geographical criteria, others).

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<sup>5</sup> Relevance of training is closely linked to *employability*, which is defined as the participant's capability to gain and maintain employment due to his/ her competencies, skills and attitudes gained or strengthened in training.

### C. Data collection and monitoring

1. *Who should do it?*

- Training provider(s): self-monitoring by the training provider(s) empowers them to improve their training projects or programmes.
- Project: in case of monitoring by the project or programme it is advisable to organise joint monitoring teams (i.e. project staff together with training providers' staff)

2. *How should we do it?*

- Public data for indicator 3a
- Indicators 3d and 3e: define a representative random sample per training course and survey this sample 6 months after the end of training at the latest.
- Outcome monitoring visit, tracer study (use [new SDC instrument guide](#) available on SDC Shareweb) and/or impact evaluation
- Methods depend on the context and can vary from face-to-face interviews to online surveys.
- Triangulation of the data (trainees, employers/customers) can reveal important insights.

3. *When should we do it?*

- Depends on the purpose of the monitoring; i.e. outcome monitoring (at level of use of output) should ideally be conducted during the first few months after graduation (i.e. up to 6 months). Outcomes (at the level of direct benefit) as well as impact are ideally measured between 6 months and 2 years after graduation.
- Make a link to SDC's results tools: to determine the dates of the reporting, refer to the (yearly) progress reports by partners, the end of phase reports (programme level) and the annual reports (cooperation strategy).

4. *What are the typical problems we might encounter and how should we cope with them?*

Typical challenges encountered	Useful remedies and workarounds
Participant of the VSD/employment promotion programme not traceable (i.e. migrated within country or abroad) → typical tracing problem	Early development and continuous updating of a database on all participants of the VSD/employment promotion programme (inc. all contact details) considerably reduces resources spent on tracing them.
Participants rank relevance high as training was provided free of charge.	Contract an independent third party for data collection, so as to obtain less biased data
No proper assessment system established; tests are not relevant and accepted	Concentrate on indicators 3b and 3c

5. *What are the major lessons learnt?*

- Assessment of the participant's competencies, skills and attitudes by employers and customers is the strongest and most direct indicator of relevance and employability.
- Pass rates (sub-indicator 3a) should be interpreted carefully and always be triangulated with data gained under sub-indicators 3b and 3c.
  - Many certificates still have very little value on the labour market, as employers do not trust the skills testing or do not know about the system and certificates. Hence skills test certificates or any other certificates have limited value in measuring the relevance of training and even less in gauging employability.
  - Very often, pass rates are measuring whether the curriculum has been taught properly. Hence they are actually a proxy indicator for the quality of training. But in developing countries curricula are often outdated (or do not exist) and thus have little labour market relevance.

#### D. Examples of Application and Existing Tools

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See references at:

[http://www.deza.admin.ch/en/Home/Themes/Learning\\_and\\_Networking/Capacity\\_Development](http://www.deza.admin.ch/en/Home/Themes/Learning_and_Networking/Capacity_Development). In particular:

- *Training and beyond: seeking better tools for Capacity development* by Jenny Pearson, LenCD/OECD Development Cooperation, Working Papers, No. 1, April 4, 2011. → Here you can find some tools and frameworks
- *Getting from skills to better performance – what do we know?* by Nils Boesen, 2010.

## Gainful employment

### Definition

#### A. Definition of key outcome

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**Gainful employment** is defined as the sustained self- or wage employment of the participants of VSD and/or employment promotion programmes above a defined minimum income threshold.

#### Limitations:

- Gainful employment consists of two major but separate concepts: employment *and* income level (earning). When monitoring outcomes, both of these must be measured, since participants in VSD/employment promotion programmes may be employed but earn less than the national (or any other applicable) minimum wage/salary level.
- The definition of employment considers all types of formal and informal as well as self- and wage employment.
- Incomes may be in cash or in kind. In order to measure the income, the benchmarks must be clearly defined by using existing (government) minimum wages, project-defined thresholds, average occupation-specific earnings or any other widely accepted and applied standard applicable in the context.
- The definition of gainful employment is related to the much more holistic concept of “decent work” developed and mainstreamed by the ILO which states “adequate earnings and productive work” as one of 11 standard indicators for measuring decent work.<sup>6</sup>
- Sustained employment relates to continuous employment for at least *6 months* after termination of the programme.<sup>7</sup>

#### B. Common outcome indicators

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- 1a Percentage of participants in employment (in % of the total number of participants who graduated from the programme)
- 1b Percentage of participants earning a net additional cash and/or in-kind income<sup>8</sup> above a pre-defined and widely accepted national or regional minimum level/threshold (in % of the total number of participants who graduated from the programme)
- 1c Return on investment: average numbers of months the participants have to be gainfully employed to generate the initial investment by the programme in their empowerment/training.

All indicators should always be monitored in a gender-disaggregated way. Indicators should be further disaggregated if necessary in the given context (e.g. minority issues, geographical criteria, others).

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<sup>6</sup> Anker et al., 2002. *Measuring Decent Work with Statistical Indicators*. Working Paper No. 2. Policy Integration Department, Statistical Development and Analysis Group, International Labour Office, Geneva.

<sup>7</sup> There is no clear and straightforward reference regarding the duration of employment that should be called “sustained”. The definitions found are highly context and topic related. However, a 6-month period is found to be used more often in practice than any other, which is why SDC suggests retaining this criterion.

<sup>8</sup> Income can be measured either as an absolute figure (i.e. income after the training intervention) or as a before/after change (i.e. incremental income). This should be decided based on the project context and objectives.

**C. Data collection and monitoring**

1. *Who should do it?*

- Self-monitoring by the training provider(s): empowers them to design their own improvements of the training programme.
- Monitoring by programme: it is advisable to organise joint monitoring teams (i.e. programme staff together with training providers' staff).

2. *How should we do it?*

- Outcome monitoring visit, tracer study (use [new SDC instrument guide](#) available on the e+i Shareweb) and/or impact evaluation.
- Main proposed field method: face-to-face interview with the participant in the VSD/employment promotion programme (ideally at his/her workplace) at (a) pre-defined point(s) in time after graduation (see point 3 "When should it be done?").
- Triangulation with employers (or, in case of self-employment, with the cash book of the participant in the VSD/employment promotion programme) as well as neighbours, relatives or friends is advisable.
- If the population is large, apply stratified random sampling.
- Outcome indicator 1c) should be calculated by comparing the average per capita cost (= total programme expenditure divided by the number of participants) with the average monthly income.

3. *When should we do it?*

- Depends on the purpose of the monitoring; i.e. outcome monitoring (at the level of use of output) should ideally be conducted during the first few months after graduation (i.e. up to 6 months). Outcomes (at the level of direct benefit) as well as impact are ideally measured between 6 months and 2 years after graduation.
- In order to develop robust and comparable data it is advisable to measure at least 6 months after graduation and after 2 years.
- Collect baseline data before the training.
- Make a link to SDC's results tools: to determine the dates of the reporting, refer to the (yearly) progress reports by partners, the end of phase reports (programme level) and the annual reports (cooperation strategy).

4. *What are the typical problems we might encounter and how should we cope with them?*

Typical challenges encountered	Useful remedies and workarounds
Participant of the VSD/employment promotion programme not traceable (i.e. migrated within country or abroad)	Early development and continuous updating of a database on all participants of the VSD/employment promotion programme (inc. complete contact details) considerably reduces resources spent on tracing them.
Self-employed participant of the VSD/employment promotion programme not able to state his/her income (due either to lack of records or to ambiguity on how direct/indirect business costs are taken into account when measuring income)	Clear and transparent definitions of what is considered as self- and wage employment (i.e. daily labourer with erratic income) and what is included in the income calculation
Participant of the VSD/employment promotion programme overstate their income (i.e. to impress monitor and/or peers present during the interviews; particularly prevalent if the programme applies an outcome-based financing method which gives the training provider a vested interest in influencing the statement of the participant of the VSD/employment-promotion programme)	Avoid income verification in groups of participants of the VSD/employment promotion programme  Train monitoring staff in psycho-social approach (and/or other adequate methods of interviewing primary stakeholders)  Validate stated incomes with the living conditions of the participant of the VSD/employment promotion programme

## Annex (will be updated by late 2019)

Inclusion of fringe benefits (food, accommodation, etc. provided by employer; goods produced by the trainee during training) or in other words “money saved is money earned”?	Clear and transparent definitions of what is included in the income calculation
Measurement of the individual income of the participant of the VSD/employment promotion programme in case of family enterprise	Clear and transparent definitions of what is included in the income calculation
Measurement of income in multi-task occupations and/or trades with longer return-on-investment periods, such as farming	[To be completed based on feedback on using the instrument]
Valuation of in-kind income	[To be completed based on feedback using the instrument]
Informal employment which makes it difficult to measure the immediate outcome	Validate stated incomes with the living conditions of the participant of the VSD/employment promotion programme
Baseline not developed at the beginning of the intervention	Since income measurement is often based on self-declaration the missing baseline can be reconstructed afterwards by asking the participants about their income before training.

### 5. What are the major lessons learnt?

- Measuring employment is not the major challenge, but measuring income can be.
- Measuring only employment (instead of *gainful* employment) provides only half the picture as it still remains unknown whether the situation of the participant in the VSD/employment promotion programme has improved (i.e. most trainees are already in some type of (mostly) informal employment at the time of applying for the training)
- Measuring gainful employment is feasible in most programmes but needs to be planned during the programme conceptualisation stage (i.e. sufficient allocation of resources for baselines, tracer studies, monitoring system and database development, etc.)
- Independent third party monitoring adds credibility to monitoring results with regard to gainful employment.

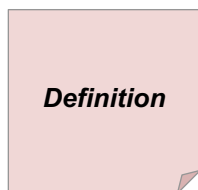
### D. Examples of application and existing tools

- Employment Fund in Nepal: HELVETAS Swiss Intercooperation is implementing, with the support of SDC, DFID and the World Bank, the Employment Fund in Nepal, which applies an outcome-based payment system based on the concept of gainful employment: [www.employmentfund.org.np](http://www.employmentfund.org.np). The Employment Fund has developed and applied various tools such as comprehensive monitoring guidelines, database system and guidelines, result-based payment system and a code of conduct. Other programmes and donors such as Winrock/USAID and ADB simultaneously developed similar systems. Based on the experiences of the Employment Fund the World Bank and ADB are mainstreaming result-based systems as well as the concept of gainful employment within the Nepalese Ministry of Education.
- HELVETAS Swiss Intercooperation is implementing, with the support of Liechtensteinischer Entwicklungsdienst, the Tourism Skills Training in Rural Areas (STAR) project in Kyrgyzstan. The concept of gainful employment was used during project review. See: <http://kyrgyzstan.helvetas.org/en/activities/projects/star/>

## Systemic change

### A. Definition of key outcome

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**Systemic change:** contribution of the programme to changes in the TVET and labour market system

#### Limitations:

- Programmes always have a limited effect on TVET or labour market systems and they are subject to political and contextual developments not under the control of the programme.
- According to the principles of the Paris Declaration on Aid Effectiveness, ownership is central to all activities; this is most important for activities that aim at systemic change. Effects on systemic change can thus only be estimated by actors closely involved in programme activities and policy-making.
- Comparability between programmes will be limited since many different actors collect data and this reduces its reliability. The time and effort needed to standardise this process in order to produce reliable data would be disproportionate and make this instrument too heavy.

### B. Common outcome indicators

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Assessment of the contribution of the programme to the following areas of intervention:

- 2a Legal framework and policies (e.g. contribution content processes)
- 2b Capacity development of ministries, public administrations (only at national/regional level; not to be considered if the programme works on the level of the training providers)
- 2c Decentralisation, centralisation and structural reform
- 2d Associations, networks
- 2e Cooperation with the private sector
- 2f Financing VET systems
- 2g Employment services, counselling
- 2h TVET and labour market research
- 2i Quality management
- 2j National qualification framework
- 2k Occupational standards, curricula, manuals
- 2l Assessment and certification
- 2m Design and implementation of programmes not funded by SDC (replication)
- 2n Others, (name your own)

All indicators are assessed by persons and organisations involved in the programme based on the following scale:

- 5 = contributed to a very significant extent
- 4 = contributed to a significant extent
- 3 = contributed to a moderate extent
- 2 = contributed to a small extent
- 1 = contributed to a very small extent
- 0 = no contribution achieved
- n = no contribution planned

The assessment should be comprehensible and be illustrated by comments and key data on the issue.



### C. Data collection and monitoring

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1. *Who should do it?*

- Programme staff: the programme staff should facilitate the assessment.
- Outcomes should be assessed by actors closely involved in programme activities and policy-making.

2. *How should we do it?*

- The assessment should not be done by single persons but in a participatory way (e.g. within a project progress review or evaluation workshop) and thus reflect a common understanding of the project contribution.
- The Swiss Cooperation Offices could make use of the domain specific (VSD) workshops done for annual reporting (results framework reporting).
- Specific information regarding the target group should be gathered and evaluated for project steering purposes.

3. *When should we do it?*

- A systemic analysis including a definition of systemic effects to be achieved must be part of the programme planning.
- Policy and actor-specific monitoring throughout the project duration is needed to make an estimate based on facts.
- Systemic effects can be estimated or measured at the end of the project duration.
- Ex-post evaluations should be conducted about two to three years after projects have ended in order to provide evidence on *sustainable* systemic effects.
- Make a link to SDC's results tools: to determine the dates of the reporting, refer to the (yearly) progress reports by partners, the end of phase reports (programme level) and the annual reports (cooperation strategy).

4. *What are the typical problems we might encounter and how should we cope with them?*

Typical challenges encountered	Useful remedies and workarounds
Attribution	Attribution can only be addressed by plausible estimations of experts and key actors in the field.
Comparability of measurement	A certain standardisation or calibration of the scale used for estimates can only be achieved by giving examples for each of the indicators and by reusing the instrument over time.

5. *What are the major lessons learnt?*

- Systemic effects can be estimated in a plausible way.
- Intended systemic effects must be described when identifying and conceptualising the project
- Continuous policy and actor monitoring is a prerequisite for fact-based and plausible estimations that are consistent with other data available.

### D. Examples of application and existing tools

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GIZ Key VET Indicators