Working Aid on the use of Indicators in VSD Programmes

Updated version, June 2021

Introduction

SDC's approach in terms of specification of results indicators

In 2020 SDC's Quality Assurance published the new SDC Guidance on Results Indicators as a normative document. It refers to Switzerland's Strategy 2021-24 for International Cooperation and to the 2030 Agenda. In the SDC guidance, three types of result indicators are distinguished, which have been slightly adapted in early 2021:

a) Aggregated Reference Indicators (ARIs) are mostly (but not exclusively) at output level. They have been introduced in 2016 in order to "allow communicating on selected achievements, across a wide range of situations and countries where the SDC intervenes. ARIs primarily serve accountability and communication needs".

b) Thematic Reference Indicators (TRIs) are a limited number of outcome indicators, proposed by the thematic Focal Points. They have been introduced by the SDC Directorate as binding indicators in early 2020. "This is a help to SDC staff who can find readily well formulated indicators and contributes to focus interventions and harmonisation for the forthcoming digitalisation of results data".

c) Context-specific indicators "are those defined by programme and project staff, in line with specific local requirements. Some thematic networks propose other indicators which can be applied […] in cases where no ARI and none of the proposed TRIs are relevant."

History of the common outcome indicators for learning and reporting in Vocational Skills Development (VSD)

In Vocational Skills Development, the development of common result indicators has already been initiated years ago: Following SDC's VSD portfolio evaluation in 2010/11, SDC management strongly suggested developing and testing of so-called **Common Outcome Indicators (COIs)** for VSD. 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 outcome dimensions **outreach, relevance of training, gainful employment and system change.**

To respond to the introduction of the ARIs and TRIs as well as other challenges related to the growing portfolio of very diverse VSD projects, the e+i network decided to update its initial COI working aid. A revised draft has been consulted with the e+i and Education networks in preparation and during the F2F meetings in May 2019 – and complemented by the VSD backstoppers in spring 2020, reflecting and incorporating the newly introduced ARIs and TRIs.

The suggested set of indicators is 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 these indicators 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.

Some important remarks on the use of common indicators

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 or cooperation strategy. 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 of the Working Aid

This working aid provides guidelines on how to work with the four key outcome dimensions and the corresponding results indicators 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.

Kindly note that this is a living document. Your comments and suggestions for improvement are always welcome! Please send them to the e+i Focal Point (currently in charge: Andrea Inglin).

Focus of the Indicators

Although they are called Outcome Indicators, you may find that some of the indicators may rather be at output or even at impact level. 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 'persons enrolled' 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 'persons enrolled' 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 the suggested indicators.

Selection and use of indicators

On the next pages, the four key outcome dimensions and the suggested indicators (ARIs, TRIs and additional COIs) are presented, followed by some recommendations on the selection of indicators 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 qualification's 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 this regard it is important to reiterate that the use of the ARIs and TRIs is mandatory only if a project/programme "addresses the concerned sub-objective of the IC Strategy or the thematic area and if relevant". This working aid therefore shall assist you selecting the most relevant indicators for your interventions. The working aid is not a compulsory SDC guideline. However, its use is highly recommended by the e+i Focal Point and the SDC's Quality Assurance.

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The four key outcome dimensions of VSD, related indicators and contribution to SDGs

Dimension 1: Outreach

IED ARI 1) Access to Vocational Skills Development: *Number of persons enrolled in new or better vocational skills development*, disaggregated by gender and one targeted left behind/vulnerable population group (additional disaggregation by age recommended, depending on the context). This indicator measures contributions to SDG target 4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

EDU ARI 2) Quality of teaching: *Number of teachers or educational personnel trained* (including workplace instructors for VSD), disaggregated by gender, and a) general and basic education teachers and b) VSD teachers and instructors. This indicator measures contributions to SDG target 4.c: By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States.

Additional COI: Access to employment services: Numbers of persons (reached directly and indirectly) having access to employment services such as assessment/ information/ guidance/ placement), disaggregated by gender, age and targeted left behind/vulnerable population group.

Additional COI: Organisations and institutions reached: Organisations and institutions reached (total and % of institutions nationwide).

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Dimension 2: Relevance of training

IED TRI 2) Private sector in VSD: *Number of companies or professional organisations contributing to relevant vocational skills development*, disaggregated by a) companies and b) professional organisations. This indicator measures contributions to SDG target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Additional COI: Exam pass rate: Students/apprentices passing exams or other skills validation (total and % of trained), disaggregated by gender, age and targeted left behind/vulnerable population group.

Additional COI: Skills of graduates: Skills of graduates (% of trained) assessed as relevant for the workplace and for personal development by the graduates themselves, employers or customers, disaggregated by graduates' gender, age and targeted left behind/vulnerable population group.

Additional COI: Graduates in jobs or further learning related to the training: Graduates working in a job somehow related to the training or continuing in any form of organised learning in VSD or general education (% of trained), disaggregated by gender, age and targeted left behind/vulnerable population group.

Dimension 3: Gainful employment

IED ARI 2) Employment: *Numbers of persons having new or better employment* (in the formal or informal economy, including self-employment), disaggregated by gender and one targeted left behind/vulnerable population group (additional disaggregation by age recommended, depending on the context). This indicator measures contributions to SDG target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and per-sons with disabilities, and equal pay for work of equal value.

NB: IED ARI 2 is similar to the SI 13 indicator of SECO. For Cooperation Programmes having both SDC and SECO operations, please apply the SDC indicator if the majority of employments foreseen are due to SDC operations (and otherwise apply the SECO indicator). At project level, the SDC indicator is to be applied for SDC projects and the SECO indicator for SECO projects.

IED TRI 1) Net additional income: *Changes in yearly net income* of beneficiaries reached (attributable to the project), disaggregated by employed people, self-employed (except smallholders) people, smallholders, other beneficiaries. This indicator measures contributions to SDG target 1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions *and to* SDG target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

Additional COI: Return on investment: Average numbers of months/years the participants have to be gainfully employed to generate benefits that outweigh the initial investment by the programme (+ opportunity cost) into their training

Dimension 4: Systemic change

IED TRI 3) Vocational Education and Training system reform: *Number of contributions towards a more inclusive or more labour market relevant VET system* (Qualitative indicator, taking into account: changes in policies and frameworks, capacity building, financing, occupational standards / curricula, assessment and certification, etc.), disaggregated by Contributions towards a more labour market relevant VET system (economic motivation) vs. Contributions towards a more inclusive VET system (social motivation). This indicator measures contributions to SDG target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services and to SDG target 4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

Additional COI: Labour Market system reform: Qualitative indicator, taking into account contributions to improved functioning of labour markets and the four pillars of the Decent Work Agenda: employment creation, social protection, rights at work, and social dialogue

Additional COI: Replication: Qualitative indicator, reporting on replication / adoption (including partial adaptation) of SDC's model by the responsible authorities or by other development actors, including public funds made available for replication or adaptation

Further relevant indicators (depending on context)

IED TRI 5) Women's Economic Empowerment: *Proportion of women with a positive perception on their influence on business and economic-related decision-making*, disaggregated by one targeted left behind/vulnerable population group. This indicator measures contributions to SDG target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

If working in the context of migration / displaced people, kindly also consider these indicators which measure quite similar results as the IED indicators presented above:

MIG TRI 1) New or better employment in country of destination or origin: *Number of migrants / displaced people having new or better employment*, disaggregated by gender and one targeted left behind/vulnerable population group.

MIG ARI 1) Access to safe and decent work opportunities: *Numbers of migrants and forcibly displaced persons benefitting from services that enable them to access safe and decent work opportunities*, disaggregated by gender and one targeted left behind/vulnerable population group.

MIG ARI 2) Improved livelihoods and employability: *Number of migrants / displaced persons reached by interventions that improve their livelihoods and employability*, disaggregated by gender and one targeted left behind/vulnerable population group.

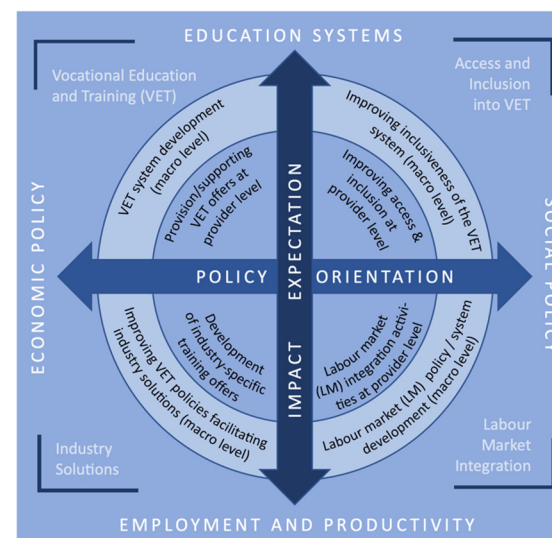# Selecting appropriate indicators, based on SDC's VSD Typology

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 indicators are suitable to measure the intended results of your intervention.

The SDC's VSD Typology

The SDC's VSD Typology (see adjacent figure) 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 (see arrows). For the definition of suitable indicators, we added an additional layer of differentiation: projects operation mainly on the macro level (outer circle of the graph) and projects mainly on micro level (inner circle).

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.

This table below provides some hints on the relevance of each indicator per project prototype, as depicted in the VSD Typology.

OUTCOMES	SUGGESTED VSD INDICATORS	SUITABILITY OF INDICATORS BY PROJECT PROTOTYPE							
		VET System		Access & Inclusion		Labour Market Integration		Industry Solutions	
	■ = key indicator ☑ = recommended indicator *if relevant* (depends on specific project focus)	VET system development (macro/meso level)	Provision/supporting VET (provider level)	Improving inclusiveness of VET (macro level)	Improving access & inclusion (provider level)	LM system development (macro/meso level)	LM integration activities (provider level)	Industry solutions policies (macro/meso level)	Development of trainings for industries (provider l.)
Outreach	IED ARI 1: Access to VSD	☑	■	■	■		☑	☐	■
	EDU ARI 2: Quality of teaching (trainers)	☐	■	☐	■		☑	☐	☐
	COI: Access to employment services					☐	■		
	COI: Organisations / institutions reached	☐	☐	☐	☐	☐	☐	☐	☐
Relevance of training	IED TRI 2: Private sector in VSD	☑	■	☑	☑	☐	☐	■	■
	COI: Exam (or other validation) pass rate		☑	☐	☐		☐		☐
	COI: Skills of graduates		☑	☐	☐		☐		☐
	COI: Graduates in jobs or further learning		☑		☐		☐		☐
Gainful employment	IED ARI 2: Employment		■		☐	☐	■		■
	IED TRI1: Net additional income		■		☐		■		■
	COI: Return on investment / CBA		☑				☑		☐
Systemic change	IED TRI 3: VET system reform	■	☐	■	☐			■	☐
	COI: Labour Market system reform					■	☐		
	COI: Replication	☐	☐	☐	☐	☐	☐	☐	☑

Annex: The key outcome dimensions in detail

The following annex covers for each of the four key outcomes:

- definition of key outcome

- hints and tips on monitoring and data collection

- application examples and monitoring and evaluation (M&E) tools

This appendix is largely based on the 2013 COI working aid and has only been slightly revised in 2019

Outreach

Definition of key outcome

Outreach is defined *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.)

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 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).

Data collection and monitoring

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).

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).

When should we do it? Within the usual reporting rhythm**.** 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).

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. Be aware of the fact that for many projects the percentages will be extremely small if compared to the defined target group.

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Relevance of training

Definition of key outcome

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.

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)

Data collection and monitoring

Who should do it? Training provider(s): self-monitoring by the training provider(s) empowers them to improve their training projects or programmes. 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)

How should we do it? Public data for exam pass rate; For other COI: define a representative random sample per training course and survey this sample 6 months after the end of training at the latest. Methods depend on the context and can vary from face-to-face interviews

to online surveys. **T**riangulation of the data (trainees, employers/customers) can reveal important insights.

For qualitative indicators the following scale may be applied (the assessment should be comprehensible and be illustrated by comments and key data on the issue):

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

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).

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 should be interpreted carefully and always be triangulated with data gained under other relevance/quality indicators.

- 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.

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 when developing countries curricula are outdated (or do not exist) they have little labour market relevance.

Gainful employment

Definition of key outcome

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 should 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. Sustained employment relates to continuous employment for at least 6 months after termination of the programme.

Data collection and monitoring

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

How should we do it? Outcome monitoring visit, tracer study (cf. guidance available on SDC Shareweb) and/or impact evaluation. Main proposed field method: face-to-face interview with the participant in the VSD/employ¬ment 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?"). If the population is large, apply stratified random sampling. Return on Investment should be calculated by comparing the average per capita cost (= total programme expenditure divided by the number of participants) with the average monthly income. The SDC's instrument for Cost-Benefit-Analysis in VSD might be helpful

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).

What are the major lessons learnt? 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.

System(ic) change

Definition of key outcome

System(ic) change: contribution of the programme to changes in the VET and labour market system

Limitations

Programmes always have a limited effect on VET 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.

Data collection and monitoring

Who should do it? The programme staff should facilitate the assessment. Outcomes should be assessed by actors closely involved in programme activities and policy-making.

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.

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).

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.

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