Key Challenges and Recommendations for Augmenting the Monitoring and Evaluation systems for the Ghana Skills Development Fund (GSDF)[1]

Summary: *This note reviews the lessons learned from the previous phase of Skills Development Fund (SDFII) and provides recommendation to augment the M&E systems for the upcoming phase of SDF, also known as Ghana Skills Development Fund (GSDF) or SDF III. The team drew upon various completion reports and undertook consultations with M&E team from SDF II to identify key challenges and recommendations for next steps. The note will provide a basis for discussion with different stakeholders on augmenting the existing M&E systems to support Commission for Technical and Vocational Education and Training (CTVET) on the implementation of the GSDF.*

1. Introduction

Governments in developing countries around the world are working to enhance their performance by creating systems to measure and understand the impact of their services and programs. The purpose of this note is to understand what can be done to improve the Monitoring and Evaluation (M&E) systems for the third phase of the SDF (SDF III) or the GSDF which is supported by the Ghana Jobs and Skills Project (GJSP).

The GJSP is a five-year (FY21-FY26) flagship project of the Government of Ghana (GoG) to support skills development and job creation in the country. The project comprises of five components: (1) provision of on-the-job apprenticeship training; (2) provision of entrepreneurship and micro and small enterprise support; (3) operationalization of the Ghana Labor Market Information System (GLMIS), development of district public employment centers, and independent reviews of government youth employment and skills development programs; (4) government capacity development, technical assistance, and project management support; and (5) contingent emergency response. The project was approved by the World Bank's Board on June 29, 2020 and became effective on January 27, 2021.

Under Subcomponent 2.2 the project will support at least 700 competitive grants offered to private enterprises (or groups or associations of enterprises) to upskill their workforce. These grants are expected to directly impact a total workforce size of at least 42,000 individuals. The main implementing agency for this component is the CTVET.

Micro and small enterprises irrespective of their formality status will be eligible for competitive grants. Using their grants, in accordance with their proposals, enterprises can procure training services from formal public or private training providers and science, technology, and innovation (STI) services from public or private STI service providers. A competitive fund was established in 2009 to support skill development in, and improved business processes and performance of enterprises called the Skills Development Fund (SDF). The first phase of the fund (SDF I) ran from July 2011 to December 2016. The second phase of the fund began in 2017 and closed in December 2020. GJSP will take forward the SDF through mid-2026 (renamed GSDF – Ghana Skills Development Fund). Under GJSP, enterprises will apply to the GSDF by submitting information to assess their fit and

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potential, including their prospect for employment growth.

2. Methodology

Two streams of work were undertaken to draw lessons from SDF II. First, a desk review of SDF II related documents was undertaken to identify challenges related to M&E in implementation of SDF II. These included the Inception report, Grant completion reports, Closeout reports, Annual Report and the SDF manual. Second, virtual consultations were held with members of the M&E team of SDF II. The discussion focused on challenges that the team faced in collecting, reporting, and analyzing data on grant recipients and the lessons learned from their experience. Together, both activities synthesize the existing knowledge about M&E systems and offer recommendations to resolve these challenges in GSDF.

3. Key Challenges

(1) Limited resources devoted to M&E staffing and initiatives

SDF II failed to allocate necessary financial and personnel resources for the activity. The M&E unit was inadequately resourced to undertake comprehensive monitoring of activities, collect data, perform quality checks, and provide insights on implementation. The project began with only one M&E specialist in charge of M&E activities and data collection. As implementation began, the unit was not able to keep up with data collection and reporting needs related to grant applications, evaluation and awarding of competitive grants. Since the resources were limited, it was difficult to maintain regular contact with grantees and check on periodic progress. Grantees were expected to report on specific indicators periodically using M&E systems, but queries raised by grantees couldn't be addressed. This led to delays or non-availability of data in many cases. A specific example cited in the project document refers to how the grantees started the implementation of their activities without

baseline data resulting in their inability to measure their productivity and performance accurately at later stages. Consequently, the activities of some of the grantees deviated from the grant objective resulting in delays in implementation or cancellation of grant altogether. A limited number of training providers were hired for SDF II and many grantees did not have access to them when needed, for e.g. to report on M&E data and grant progress. Moreover, most of training providers were based in Accra which made it difficult for grantees outside of Accra, especially in the lagging regions to reach out to them and seek support.

The consultations with M&E officers corroborated the challenge and indicated that three personnel were responsible for monitoring over 100 grants in SDF II which proved to be an overambitious task.

(2) Lack of Reporting Capacity of Grantees

A widely reported challenge for M&E in the SDF II was the inadequate capacity of the grantees. The capacity of the grantees to apply for a grant, implement and report on meaningful data varied and was particularly low in the informal sector. This could be attributed to the varying levels of education and training. Low-capacity firms and businesses were at a disadvantage as they experienced difficulty in applying online and competing for a grant despite fulfilling qualifying criteria. To mitigate this challenge, SDF II hired "intermediaries" (trained individuals to help firms apply for grants), but their reach was limited and did not have significant impact in supporting firms with application process. Intermediaries also drafted proposals that were not an accurate reflection of the capacity of the applicant to improve the chances of winning a grant. The grantees also reported that the extent and scope of training requirements communicated with intermediaries differed from those eventually described in the proposals. In some instances, the grantees were not in agreement with the matching

contributions they needed to provide as reflected in the proposal leading to additional financial burden. Firms that were awarded grants were at times unable to report reliable, quality data on periodic progress because all the funds were channeled to their training service providers. Firms often relied on training service providers to help them with reporting, but since it wasn't a part of their contractual obligation, they were often unresponsive and ignored such request. Additionally, relying on training service providers for progress reporting also raised questions around conflict of interest, since some of the questions required the grantees to report satisfaction level on training received.

(3) Inadequate infrastructure for data collection, management, and storage

Lack of systematic data collection, quality controls, storage and management of data was a major issue in SDF II. The data compilation lacked accuracy, timeliness, validity and completeness in terms of the way the data was collected, interpreted, and reported. There was an absence of systematic filing of grantee reports possibly due to the M&E officers not receiving appropriate guidance, training and resources to monitor the progress of grant recipients. Not much M&E data was collected and even in cases where such data were collected, the storage format was hard copies. This resulted in manual entries stored in paper format which was hard to access or make reference to.

The SMARTME system used by SDF II to collect and manage M&E data was not programed to collect data on key labor market indicators such as income levels, changes in level of employment, etc. As a result, project completion assessment including estimation of impacts was not possible. Indicators used to measure the performance of grant recipients in SDF I were not synchronized with SDF II, making it difficult to conduct a trend analysis of

performance and impact assessment of fund activities on the grantee firms.

4. Key Lessons Learned for Implementation

The government's commitment to upskilling the Ghanaian workforce employed in small and medium enterprises, as demonstrated through two successive rounds of SDF implementation, provides a huge opportunity for the development of a dynamic TVET system with robust M&E design. Based on the aforementioned challenges, the Subcomponent 2b of the GJSP could enhance the M&E systems of GSDF in the following ways:

Recommendation 1: Designing a robust M&E system before project implementation

M&E should be an integral part of program design and efforts should be made to assess the scope and substance of M&E system in the context of project early on. A well-designed M&E system enables the team to make informed decision on project implementation and positively influence desired outcomes. CTVET should set up and maintain a functional M&E team to be responsible for the M&E activities, prepare the M&E framework or work plan and budget to guide the anticipated M&E related activities along the project cycle. CTVET should also determine the number of M&E staff required by the team. CTVET M&E team will be expected to supervise and provide guidance to M&E team of the GSDF implementing firm and as such the role and responsibilities of the two teams should be clearly defined and articulated to avoid confusion during implementation.

Recommendation 2: Allocating sufficient personnel and financial resources to the M&E team

The M&E unit undertakes various tasks: collecting baseline data on grant applicants, periodic progress monitoring, evaluating key labor market outcomes and assessing the

impact of GSDF. Based on the envisioned activities in the M&E plan, the M&E team should ensure that the qualified personnel that they hire have their tasks and responsibilities clearly laid out in their Terms of Reference (ToRs). The M&E unit should also be allocated necessary financial resources for different activities that they implement or supervise. For e.g., training of enumerators, designing the data collection template, hiring of consultants to undertake specific field monitoring tasks etc.

Recommendation 3: Using independent third-party firm to monitor activities and provide an unbiased review of project performance

GSDF should consider hiring a qualified firm for independent monitoring and verification of project activities to provide a frequent and unbiased status on project performance. This will help the M&E team in identifying and troubleshooting issues related to project implementation and address them. For GSDF, the Project Coordinating Unit at Ministry of Finance (PCU-MoF) is considering recruiting a firm to monitor progress across all components and the data collected can be shared with CTVET to enhance its M&E system.

Recommendation 4: Providing support to firms through use of intermediaries and monitors

Consultations with M&E staff of SDF II revealed two best practices that can help GSDF improve outreach efforts and support grant applicants, especially in lagging regions. First is the use of "intermediaries" who are individuals hired by GSDF based in field in target areas. Intermediaries should be provided training in supporting firms who are interested in applying for grants. Intermediaries can improve the outreach of the program, respond to queries related to the program and help applicants with developing the proposals and competitively apply for grants. This is especially helpful given that GSDF will focus on applicants in

the lagging regions. Use of intermediaries will help make the grant application process more inclusive by providing support to firms with low technical capacity. The role of intermediaries is to understand and reflect the ideas put forth by grant applicants in the proposal and not impose personal ideas or influence the content of application in any manner. This can be communicated to both- the intermediaries, through proper training and to grant applicants as appropriate. GSDF should also hire "monitors", trained individuals who verify receipt of the program in field and also work with firms on reporting periodic progress updates through the online M&E system. Use of monitors will ensure reliable data on implementation is collected and ensure data gaps on account of low technical capacity of grantees are addressed. CTVET can consider hiring M&E Officers to assist with field work and upon review of work-load make decision on using intermediaries and monitors as appropriate.

Recommendation 5: Designing and piloting data collection instruments

Efforts should be directed towards designing the relevant indicators and data collection templates in advance of project implementation. Advance piloting of data collection instruments will avoid the scenario in which grantees have a hard time understanding and reporting on certain indicators. Additionally, well designed, and tested data collection instruments will ensure that progress reporting at all stages of implementation and help CTVET make informed decisions. Standardized templates will also help measure progress across select indicators through life cycle of the project.

Recommendation 6: Developing a system to store and access data

Design of a system that facilitates data storage and access should be prioritized in advance of implementation. GSDF systems should be designed such that data can be transmitted directly from field using

smartphones or tablets and can be stored on a secure server. Similarly, the system should also allow grantees to report progress data on specific indicators remotely and enter any comments. The system should also facilitate seamless access to pre-determined users to perform quality checks and analyze the data as required. Finally, the system should be well-equipped to collect data at all stages of project implementation and on a variety of indicators to monitor project performance.

Recommendation 7: Training of M&E team and SDF grantees

M&E team including M&E Specialists, M&E Officers, data collection personnel, data entry operations, intermediaries and monitors should be provided training on GSDF, M&E systems and their specific task or activity. Their role, responsibilities and reporting requirements should be clearly defined and communicated through specific terms of references. Training of the M&E team will help collection and analysis of quality M&E data at various stages of project implementation. CTVET should also consider providing customized training

sessions for grantees on reporting progress that includes both quantitative and qualitative M&E analysis.

5. Conclusion

This note took stock of the lessons learned from the previous phase of SDF and proposed concrete measures to improve the M&E systems for GSDF. The recommendations provide a guiding framework for augmenting the M&E systems, with the objective of understanding and resolving M&E challenges from the past implementation of SDF. This note will be used for continued discussions and reflections with relevant stakeholders as CTVET and World Bank technical teams work together on designing a robust M&E system prior to the implementation of the first round of grants for GSDF.

6. Summary of Key Challenges and Proposed Recommendations

Key Challenge	Proposed Recommendations
Limited resources devoted to M&E staffing and initiatives	(a) Designing a robust M&E system before project implementation (b) Allocating sufficient personnel and financial resources to the M&E team. (c) Using independent third-party firm to monitor activities and provide an unbiased review of project performance
Lack of reporting capacity among grantees	(a) Providing support to firms through use of intermediaries and monitors
Inadequate infrastructure for data collection, management, and storage	(a) Designing and piloting data collection instruments (b) Developing a system to store and access data for all stages of the grant cycle (c) Training of M&E team.