

Result Assessment: Measuring the Impacts of Value Chain Development Programs

Navin Vivek Horo

Abstract In present day development interventions, the terms monitoring, impact assessment and evaluation are gradually getting blurred. This is attributed to the reasons that programs are often being asked to regularly report on impacts rather than wait until the end of the project; and also evaluation and impact assessment processes are far more cost-intensive.

Value Chain Development approaches are being widely accepted and practiced as a prudential way of on-scale poverty alleviation. While, the 'value chain development' programs surely help in bringing overall 'systemic change' in the value chains, thus impacting poverty at scale, it is difficult to assess and attribute the impacts of such programs across various actors in the value chain. Addressing these challenges 'Results Assessment' is being used by program implementers and donors alike to assess results of the value chain interventions.

This paper provides a case on how Result Assessment has been piloted in a value chain program in India. It discusses the approach to result assessment as well details the result assessment system adopted. It describes the challenges faced in developing and internalizing the system for improved intervention effectiveness.

Keywords: Result Assessment, Value Chain Development, Systemic Changes

INTRODUCTION

Prior to setting up the context on the usability of Results Assessment (RA), specifically to value chain programs; it will be useful to understand use of value chain approaches as an integral part of poverty reduction strategies. Traditionally, the Sustainable Livelihoods Framework has been much subscribed for designing livelihoods augmentation and poverty reduction programs. More recently, Value Chain Development (VCD) approaches are being adopted for program design.

Jason Wolfe had given some clarifying thoughts on the difference between the livelihoods framework approach and the value chain approach. The Sustainable Livelihoods (SL) framework places people, particularly rural poor people, at the centre of a web of inter-related influences that affect how these contribute to household livelihoods. Further, the analysis of assets and their interaction with household livelihoods puts into context these assets and how the poor have access to and use these. The extent of their access to these assets is strongly influenced by their *vulnerability context*, which accounts for trends e.g., economic, political, technological, shocks e.g., epidemics, natural disasters, civil strife and seasonality e.g., prices, production, employment opportunities (Wolfe, 2008).

Use and access to various resources by the poor households also depend on existing social, institutional and political conditions, which also influences the inter-relations between these resources and how the poor combine these for their livelihoods – this in turn also defines their *livelihood strategies*. Based on the detailed understanding of the resource base of the poor households and how these resources and poor interact to contribute to local livelihoods; the promoting organization design integrated livelihoods programs for the poor. These programs largely are built on optimizing the available resources and strengthen them further to ensure sustainable livelihoods of poor (DFID, 1999).

On the other hand the value chain approach recognizes that the household livelihoods (whether it be through wage employment or self employment i.e. enterprises) are an integral part of a market system or ‘value chain’. Thus, it is the performance of this market system/value chain that determines the livelihoods of the poor. This essentiate an understanding of the ‘systemic factors’ that affect this performance: end markets for products, enabling environment issues, linkages between businesses, support services (such as finance, legal support, or agricultural extension services), needs for upgrading, and the effect of power imbalances and trust within the system (Wolfe, 2008).

As elucidated in the earlier paragraphs—central focus of value chain approach is the very consideration that the poor and their livelihoods is part of a larger market system i.e. a value chain. Thus, to impact and improve the livelihoods of the poor it is essential that entire value chain is improved i.e. all the stakeholders grow including the poor households. However, the dichotomy has been that most of the poor households, by the virtue, lie on the bottom of the value chains; largely as producers e.g. agriculture value chains, informal (un-organized) industry value chains, dairy value chains, etc. Though their role in the value chain is most critical one i.e. production;

they are the most excluded stakeholders who receive least share from value chains (considering the criticality of their roles).

The new generation poverty reduction programs have started incorporating value chain approaches to ensure sustainable livelihoods solutions for the poor. Like any other program, it is critical to know and track the progress of value chain interventions and assess the results thereof. In addition, the 'systemic changes' also needs to be assessed. Addressing these challenges of assessing and monitoring results—RA is being used by programs implementers as well as donors. Information on results and changes in markets systems helps programs to be responsive, adjusting implementation to maximize impact. Also, frequent reporting on results enables programs to communicate effectively with donors and other stakeholders. While there has been an understanding on the importance of results assessment; practitioners and donors alike have often struggled to put in place effective and efficient results assessment systems (Aly Miehlabrad, 2010).

THE CONTEXT: JAIPUR JEWELLERY ARTISANS DEVELOPMENT PROJECT

The Jaipur Jewellery Artisans Development Project (JJADe) project is a value chain intervention in the North Western State of Rajasthan, India and is a pioneer project addressing urban poverty. The project is being implemented by ACCESS Development Services, New Delhi. The project focuses on an emergent sub-sector—fashion jewellery and is supported by the SEEP Network USA. Another focus is on augmenting livelihoods of jewellery artisans through improvement in the value chains collaborating with various market actors/systems and service providers.

There are several centres for jewellery production in India. In value terms, Surat, Gujarat is the leading centre but its contribution is almost exclusively in the cutting and polishing of diamonds. Mumbai, Maharashtra is a major centre of all-round production in gem and metal-based jewellery, where it is more organized and the use of technology and mechanization is higher.

Jaipur, Rajasthan on the other hand is less organized with artisans working in poor working conditions. The fashion jewellery value chain here itself is complicated with three different sub-value chains i.e. lac, metal and stone into integrating in one value chain. Jaipur has been a centre of gem processing since the mid 18th Century and is now the global hub for skilled labour to process semi-precious gems. From the 1970s, Jaipur's gem heritage combined with the skill of its surrounding villages in traditional

silver ornaments, as a new mass market in silver 'ethnic' jewellery was born. Today, Jaipur's gem and metal jewellery sector is said to employ about two lakh people, about two-third of these in gem cutting and polishing (Jaipur being the leading hub), and the balance in associated metalwork. There is also a much smaller sector in lac bangle production. The lac based jewellery sector is relatively smaller and is estimated to employ about 15,000 artisans.

Small producers and workers in the fashion jewellery value chain in Jaipur, face multiple problems, resulting in poverty and poor working conditions. Largely stemming out from the fact that this value chain is still largely informal; the key issues are—market systems unfavorable to artisans; inadequate market access; poor identity as a value chain actor and poor access to finance (and hence growth potential), etc. Many of these artisans do not have government identity cards, preventing access to social services, denying them market identity and benefits of mandated government programs. Skilled designers do not have a viable business model to work with and reach to artisans and their enterprises. Especially in the case of metal works, young workers from Eastern regions of the country migrate to Jaipur and work under poor working conditions viz. long working hours, no social security, poor wage rates. Gem polishers work long hours under poor physical conditions, often as wage workers and dependent on middlemen. In the case of lac value chain, that largely engages women, women based enterprises have poor access to resources thus constraining their growth. Other challenge in almost all the value chains is that of working children. Most of the enterprise are household enterprises and engage children who in turn are denied the opportunity to proper education. Many artisans specifically engaged in the processing of semi-precious stones and lac belong to Muslim communities, primarily working at the bottom of the value chain as homebound enterprises and workers (ACCESS, 2009).

JJADe is a unique and complex project, as it seeks to address both the social as well as the economic challenges that the unorganised sector faces. Social issues of artisans like child labor, bonded labor and social protection are being taken up under the project, besides engaging with the value chain at all levels. The project, located in Jaipur, intends to reach out to about 20,000 artisans during its period of three years, providing them with social security, educational services to children engaged in child labor and developing the entire value chain while ensuring the productive engagement of primary artisans.

THE RESULT ASSESSMENT PROCESS

The RA process followed in JJADe is schematically illustrated in figure 1. The first step was to identify and prioritize key issues that the project intends to address as well as identifying the interventions for addressing the issues. The second step was to design a clear causal-chain for each intervention that would map the cause and effect relationship for achieving results. The next step was of defining results which was followed by developing detailed Results Assessment Plans defining indicators, measurement methodologies and periodicity. The final step was of designing and implementing system to assess results across the value chain.

The process steps of developing causal chain, defining results and developing the result assessment plans are detailed in the following paragraphs.

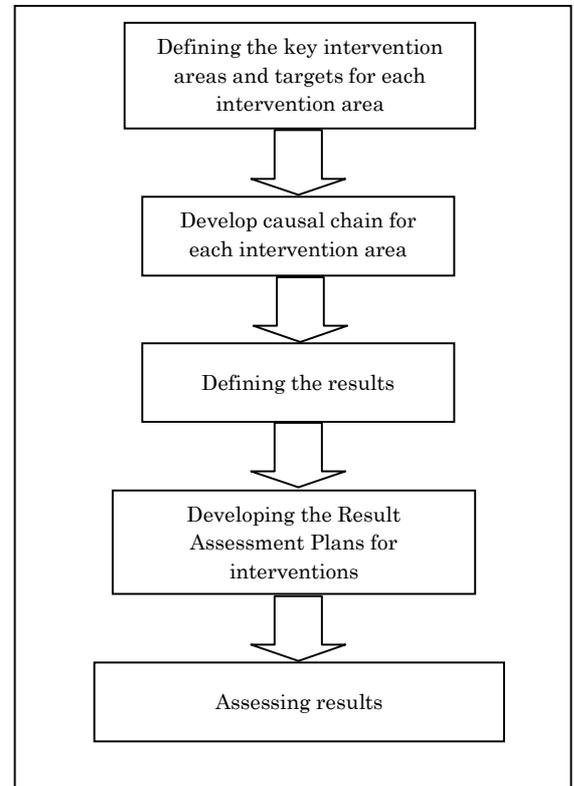


Figure 1: The process of Result Assessment

Developing a Causal Chain (for the intervention - Increasing Access to Skill Technology and Design Up-gradation Services)

Figure 2 below presents the casual-chain describing the cause-effect relationship between inputs, systemic changes and envisaged outcomes. This causal chain illustrates the market based approach which is – to increase the incomes of the artisans and to ensure the increase is sustained beyond the project, market based systems are adapted/modified (in this case the design and skill service market).

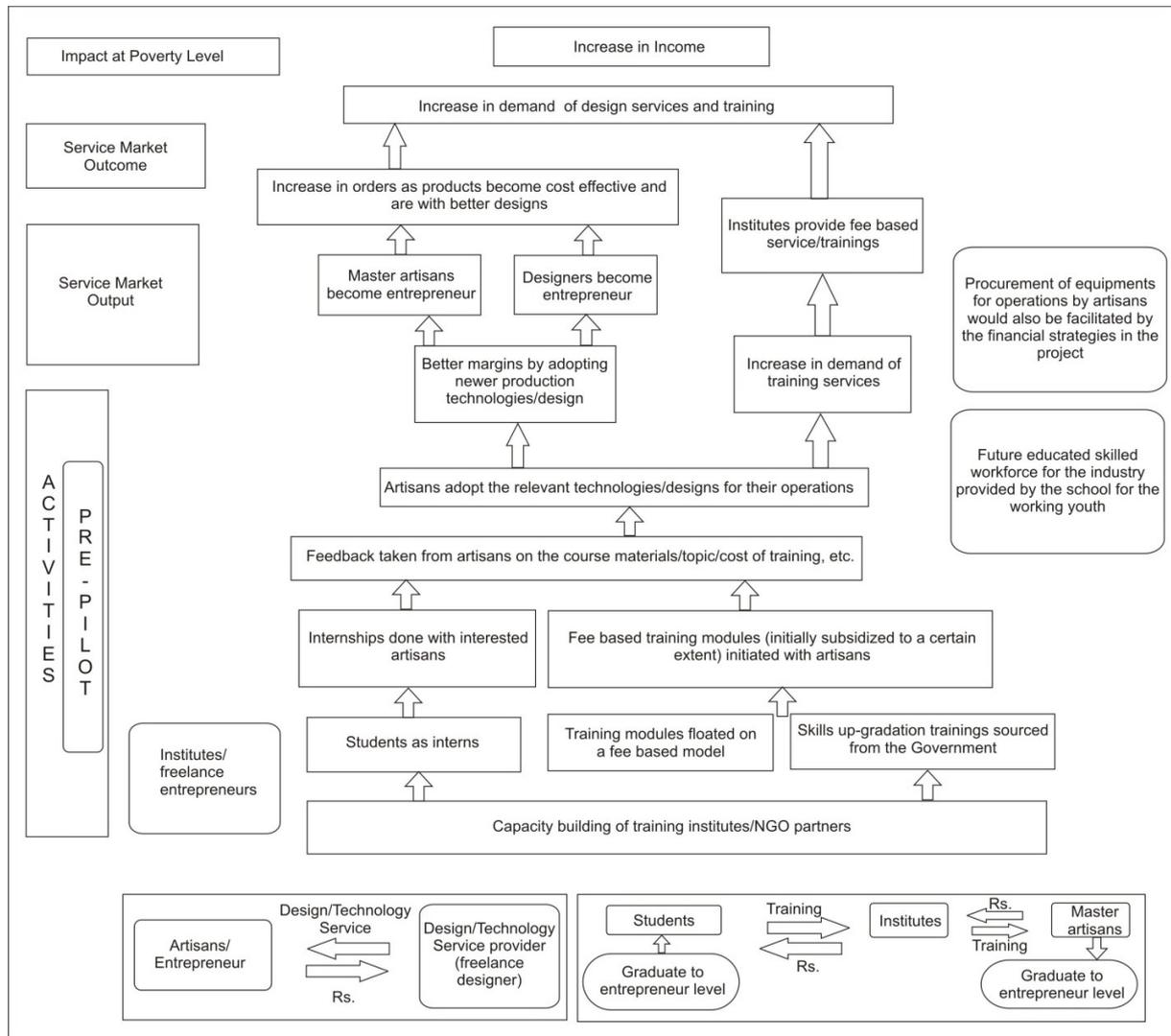


Figure 2: Causal Chain Describing Cause-Effect Relationship

Source: ACCESS, 2010

The expected systemic changes under this intervention are:

- Demand side*: Artisans have continued exposure to updated skills and designs and realize its importance in improving their incomes.
- Supply side*: Introduce existing service providers to the artisans as potential clients on a fee based business model that sustains beyond the project life.

The causal chain helped the project to arrive at a clear understanding on the cause-effect relation. It provided a holistic picture of how various interventions and inputs contribute to final outcomes and how they are inter-related and mutually reinforcing.

Defining Results

The project has defined two outcomes i.e. increased income of the artisans and improved working conditions. The outputs to achieve the envisaged outcomes have been defined as:

1. Increasing access to skill technology and design up-gradation services
2. Increasing access to product development and marketing services
3. Increasing access to financial services (credit, saving, insurances, remittance)
4. Sectoral advocacy

The Result Assessment Plan

The Result Assessment Plan developed for the project is given in table 1 below. The plan describes indicators across the process of systems change through an intervention i.e. inputs, outputs and outcomes. It also details the periodicity and method of assessment of the specific indicators.

At the input levels the key indicators are:

- Increase in the number of workshops/trainings held
- Increase in number of participants attending and approaching the project/institute for wanting to attend the trainings and workshops organized

The system level change indicators are:

- Increase in the number of institutes offering skill up gradation courses
- Increase in number of master artisans/designer graduating to the level of entrepreneurs
- Design entrepreneurs see artisans and potential clients and set up their enterprises around it

The outcome level indicators are:

- Increase in number of artisans adopting the newer production techniques
- Increase in income

The framework helped the project to track the graduation of the intervention to achieve outcomes.

TABLE 1
RESULT ASSESSMENT FRAMEWORK FOR INTERVENTION - INCREASING ACCESS TO SKILL TECHNOLOGY AND DESIGN UP-GRADATION SERVICES

Results	Indicators	Definitions	Method for Calculation	Information Source	Periodicity	Tools
Improved Working Conditions and Increase in Income						
Increase in income		Increase in income because of the use of newer technologies and more orders	$Y_n - Y_0$	Survey form	Annual	Survey
Increase in the number of Institutes offering skill up-gradation courses	Number of Institutes offerings Skill Up-gradation Courses		$Y_n - Y_0$	ACCESS Records	Annual	Observation
Increase in the number of workshops/trainings held	No of Workshops/trainings held		$Q_n - Q_0$	ACCESS/NGO Records	Quarterly	Observation
Increase in number of participants attending and approaching the project/institute for wanting to attend the trainings and workshops organized	No of Participants attending the workshop		$Q_n - Q_0$	ACCESS/NGO Records	Quarterly	Observation
Increase in number of artisans adopting the newer production techniques	Number of Artisans/Enterprises adopting the newer techniques		$Q_n - Q_0$	NGO Records	Quarterly	Observation
Increase in number of master artisans/designer graduating to the level of entrepreneurs	Number of Master artisans graduating to the level of entrepreneur		$Q_n - Q_0$	NGO Records	Quarterly	Observation
Increase in number of design entrepreneurs providing services						

Source: JJADe, ACCESS Development Services and the SEEP Network, 2010

RESULTS ASSESSMENT METHODOLOGY

A research study was conducted for result assessment of the indicators identified under the result assessment framework. The target artisans of the project comprised the population for the study. Ensuring proportionate representation, the population was stratified on the basis of the three target value chains-metal, lac and stones and sampling done accordingly. A five-percent sample (1000 artisans) of targeted 20,000 artisans was taken and proportionately distributed. Proportionate representation of workers and enterprise owners was also ensured.

For with-without comparison of impacts of various project interventions; a control group was also selected and surveyed. The control group population was selected from an area which was similar in socio-economic attributes as the sample area. This was to ensure that the two groups are matched.

The total sample size of the study was 1113, where 1013 were from the sample population and 100 represented the control group. Data was collected using quantitative and qualitative methods. With a longitudinal design, the results were assessed at baseline in the year 2009 and an end-of-the-project in the year 2011.

FINDINGS

The System-Level Results

As intended the entire focus of JJADe was to trigger and catalyze systemic changes. When the project started there were service providers in the market providing design and skill development inputs to the jewellery value chain; however, their services were not reaching out directly to the artisans. During the pilot phase JJADe convinced three such institutions to experiment the modules for artisans as well as helped them get initial batches of artisans. Currently, there are at least five designs and skill training institutes offering tailor-made modules for artisans (keeping in mind the duration and fee of these trainings). Although there are premier design institutes creating skilled designers, these designers largely serve the export houses or large manufacturers, some as employees and some as entrepreneurs. These design entrepreneurs however, were not exposed to the huge artisan community as a potential client base as well as viable business model for serving the artisans.

During the pilot phase JJADe identified few designers who were keen to set up their own design enterprises. Out of these three were supported through the project to part cover their risks. The project also provided the required hand-holding support to these design entrepreneurs and also helped them build rapport and business relations with the artisans. Once the pilot was

successful, many more design entrepreneurs approached JJADe to facilitate them set up their enterprises (at the uptake phase, JJADe was not offering any risk mitigation support).

Outcomes

As stated, at the outcome levels the project intends to see the following results:

- 30% increase in income of artisans
- Improved working conditions of the artisans

Increase in income, one of the outcome indicators is discussed here. Changes in incomes have been assessed both in terms of monthly and well as annual, considering the variations in monthly incomes across the year. The results are summarized in the Table 2 below.

TABLE 2
CHANGE IN INCOME

	Parameters	Average Monthly Incomes (in INR)		% Change	Average Annual Net Incomes (in INR)		% Change
		Baseline	End-term		Baseline	End-term	
Stone	Enterprise Units	6933	9152	32	73814	116146	57
	Control - Enterprise Units	6000	5000	-17	63600	56000	-12
	Artisans	2802	4879	74	29745	53307	79
	Artisans - Control	3007	3907	30	32729	44469	36
Metal	Enterprise Units	10903	16986	56	121129	200148	65
	Control - Enterprise Units	11000	11667	6	111000	124000	12
	Artisans	4176	8600	106	43906	100555	129
	Control - Artisans	3000	5148	72	31441	58407	86
Lac	Enterprise Units	7394	9415	27	90678	102769	13
	Control - Enterprise Units	6350	7250	14	74083	82000	11
	Artisans	3363	3955	18	35599	43412	22
	Control - Artisans	2474	1853	-25	25551	17612	-31

Source: JJADe Baseline (2009) and End-term (2011) Report

There are primarily two target beneficiaries—the enterprises and the artisan households. The observed changes in the incomes can be summarized as:

1. There had been a significant change in the incomes of the artisans and enterprises engaged in the 'metal value chain'. The enterprises reported an increase of almost 65% and the artisans reported almost doubling of their annual incomes (129%); compared to 12% change for enterprises and 85% for artisans in the control groups. Thus, almost 53% of the change in

annual incomes of the enterprises and about 43% for artisans can be attributed to the project.

2. The enterprises and artisans engaged in lac also showed increased incomes compared to the baseline. The enterprises reported an increase of about 13% and artisans 22%. The control enterprise and artisans reported 11% and negative 31%, respectively. The lac value chain had comparatively poor growth owing to increase in raw material prices during the project period by almost 80%.
3. In the case of stone value chain, the enterprises reported an increase annual income by 57%, whereas the control reported a decrease of 12%. Thus, increase in income attributable to project is around 69%. Similarly, artisans reported an increase of 79% in the annual incomes, compared to the control group of artisans that reported 36% increase. Thus about 39% of increase in net annual income can be attributed to the project.

DISCUSSION

The process of RA helped the project to understand how various interventions and inputs lead to final outcomes. It further helped in tracking each step across interventions and monitoring them, hence takes timely corrective actions. RA also helped in tracking the systemic changes brought in the value chain as the result of the project and specifically the intervention/s.

One of the biggest advantages of RA is that, it is practiced as used by the implementers of the project. The implementers not only assess the changing results but also are able to take immediate and corrective actions; unlike other M&E systems where the outcomes are measured through cost-intensive evaluation processes. The central theme for RA is to ensure that implementer own the entire process of assessment, conduct it as well as use it for the betterment of the project.

Also, frequent reporting on results enables programs to communicate effectively with donors and other stakeholders. While there has been an understanding on the importance of results assessment; practitioners and donors alike have often struggled to put in place effective and efficient results assessment systems.

While the causal chain is developed prior to execution of any intervention of the project, it is still open to adaptation based on the results and feedback during the process of execution. Based on the changes in the causal chains, the result assessment plan of the project also was adapted (largely at input

and output levels). This adaptability helped the project team well align their efforts to the RA system (rather than sticking to set performance indicators).

CONCLUSION

RA has been adopted largely in the context of VCD programs. As it has been discussed earlier, value chain programs are oriented towards bringing pro-poor changes in the market systems. Thus, it is critical to have a more internalized system for assessing results (rather than strict straight jacketed systems of M&E normally used).

RA is a cost-effective alternative, considering that it is internalized within the project or development intervention and the implementers themselves are actors and recipients of these systems. The RA is inbuilt within the implementation plans and hence very limited extra costs are required to conduct the assessments.

Like the value chain interventions that are adaptive and flexible in nature i.e. are adapted based on the results and responses of the market systems; the RA is also flexible and adaptive. Based on the regular assessment of expected results (inputs and outputs), the project interventions are adapted and with it the RA system and process are aligned. It thus, ensures implementer utility so that iterations and corrective action can be regularly taken. This gives the liberty to the project to explore and pilot innovations (at the input as well as causal chain models) to ensure that the final outcomes are achieved.

One of the critical advantages of RA is that, it provides for assessing the changes in the market systems both in terms of quantity as well as quality. The Result Assessment Plan along with Causal Chains, provide a clear road map of the expected system level changes that various inputs will bring. The RA process helps in mapping and assessing how and to what degree, various inputs are resulting in desired system level changes.

The core principle of this approach is to provide a more internalized and owned system for the project implementers. The RA systems intend to provide regular feedback to implementers to strengthen or correct the project strategies and inputs. Given the growing focus on understanding and assessing what the developmental projects are able to achieve, the RA system provides more practical and cost effective alternative to adopt.

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