EG.6-11

Indicator

EG.6-11: Average percent change in earnings following participation in USG-assisted workforce development programs

Definition

'Earnings' is defined as the remuneration in cash paid to employees or earned by the self-employed, at regular or irregular intervals, for time worked or work done. This definition applies to both male and female employees. Earnings are computed based on the results from USAID's Workforce Outcomes Reporting Questionnaire (WORQ) (see the USAID Toolkit, Measuring Employment and Earnings Using the Workforce Outcomes Reporting Questionnaire (WORQ)). Note that the WORQ is not appropriate for measurement of on-farm earnings. When measuring on-farm earnings, activities may use a different tool.

Earnings are measured by a longitudinal pre/post assessment using a contextualized adaptation of USAID's WORQ package of tools. Earnings should be measured among either a representative longitudinal sample of the participating population or of the entire participating population. Earnings of individuals who participate in workforce development programs delivered by other trainees as part of a deliberate service delivery strategy (e.g., cascade training) are counted.

'Individuals' are persons of a working age (15 and older, or as appropriate per local labor laws/regulations) who reported earnings at both baseline and endline. Individuals who did not report earnings at both baseline and endline should be dropped from analysis.

'Change in earnings' is defined as statistically-significant, inflation-adjusted earnings at endline compared to baseline amongst individuals who report earnings at baseline and at endline. Baseline data is collected at the start of programming, and endline data is collected within six months of the end of an individual's programming. Non-statistically significant changes should be reported as 0.

'Inflation-adjusted change in earnings' means that the baseline average earnings should be adjusted using the country's consumer price index (CPI) numbers released closest to baseline and endline implementation. To calculate the inflation-adjusted baseline average earnings, baseline average earnings should be multiplied by the CPI at endline, with this product divided by the baseline CPI.

Inflation-Adjustment Calculation:

 Inflation-adjusted baseline average earnings = (Baseline average earnings * Endline CPI) / Baseline CPI

If no new CPI is released between the baseline CPI and endline implementation or before the data is reported, then the inflation adjustment should be based on the average rate of exchange against the US dollar for the month preceding data collection. When a sample is used, the statistical significance of the sample's change should be calculated after the inflation adjustment is made.

'Average percent change' is the sum of each individual's percent change in earnings divided by the number of individuals who participated in programming who reported earnings at baseline and at endline, regardless of whether their earnings increased, decreased, or remained the same. If an individual reported earnings at baseline but not at endline or vice versa, that individual's baseline and endline data should be dropped; this applies to all disaggregates of this indicator as well. Individual percent change is the inflation-adjusted

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change in average earnings between baseline and endline divided by inflation-adjusted average earnings at baseline multiplied by 100.

Calculation:

- Numerator*: Sum of individual percent changes in earnings
- Denominator*: Number of individuals reporting earnings at baseline and at endline
 * Activities that rely on a sample of learners rather than a census to report results
 should sample to ensure representation of characteristics that are important for
 understanding differences in outcomes (e.g., geography, language, sex, etc.).
 Numerators and denominators, extrapolated onto the activity population, must be
 reported.

A "WORQ Data Reporting Form" is available on the <u>EducationLink's Toolkit page</u> to assist partners in calculating this indicator.

In preparing for data analysis, each individual's results should be counted only once, regardless of the number of program components in which the individual participated; when individuals participate in multiple components of a workforce development program, endline assessments should occur within six months of the end of the final component and the overall program in which the individual participated.

'Workforce development programs' refer to programs intended to affect outcomes related to the workforce or labor market affecting both male and female employees and self-employed persons. For example, a program may be focused on but not limited to training; career counseling or job matching for individuals to assist them to enter the labor market, including self-employment; capacity building for workforce development institutions (e.g., TVET or other formal education institution, NGO training providers, or employers); support to micro and small and medium enterprises; or other interventions that seek to strengthen workforce development systems. Workforce programs may support a variety of sectors, jobs (both wage and self-employment), and workers; for example, a program could train judicial personnel, election officials, energy technicians, education administrators, educators, community health workers, etc. A certificate may or may not be issued at the end of the workforce development program. Workforce development programs may be a standalone activity or part of a cross-sectoral activity that includes a workforce development component. Funding can be from any Program Area

'Participation' in a USG-funded program means that an individual has participated to any extent in a structured program that targets workforce outcomes. The individual may or may not have completed the program. For example, an individual who participated may have attended some training but not all, participated in some events, etc. 'Following participation' means that the individuals surveyed participated in a workforce development program that ended within the previous six months. Endline data should be collected within six months of the end of an individual's programming.

Please note that in contexts where obtaining information on earnings is culturally inappropriate, presents risks to the respondents, is impossible to obtain accurately, etc., activities may not be able to report on this indicator and should choose other, more contextually relevant indicators to demonstrate employment outcomes.

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Primary SPS Linkage	EG.6 Workforce Development
Linkage to Long-Term Outcome or Impact	Average percent increase in earnings is used as a proxy to measure improvements in the quality of employment following participation in workforce development activities. It will provide, along with other assessments, a general sense of the scale and reach of programs aimed at generating new or better employment.
Indicator Type	Outcome
Reporting Type	Percent, with both numerator and denominator reported
Use of Indicator	This indicator will be used to monitor the results of USAID workforce development activities. It will be used, along with other indicators, to describe progress toward the youth skills priority of the USAID Education Policy and Agency-level priorities in several areas of interest including economic and youth development.
Reporting Frequency	Annual
Data Source(s)	USAID Workforce Outcomes Reporting Questionnaire (WORQ)*
	* Please refer to the USAID Toolkit, Measuring Employment and Earnings Using the Workforce Outcomes Reporting Questionnaire (WORQ). Several resources—including the WORQ tools, a Local Partner Adaptation Guide, a training, and a data reporting form—are available to support activities to adapt, implement, and analyze data from the WORQ tools. Missions and implementing partners may contribute to the further development of the WORQ through the YouthPower WORQ Discussion Group. Note that the WORQ is not appropriate for measurement of on-farm earnings. When measuring on-farm earnings, activities may use a different tool.
Bureau Owner(s)	Agency: USAID Bureau and Office: DDI/EDU POC: Benjamin Sylla; Senior Education Advisor; Center for Education bsylla@usaid.gov Technical POC: Rebecca Pagel; Senior Monitoring, Evaluation, and Learning Advisor; Center for Education rpagel@usaid.gov
Disaggregate(s)	 Sum of individual percent changes in earnings (numerator) Number of individuals reporting earnings at baseline and endline (denominator) Sum of percent changes for males¹ (numerator) Number of males¹ reporting earnings at baseline and endline (denominator) Sum of percent changes for females¹ (numerator) Number of females¹ reporting earnings at baseline and endline (denominator) Number of males with increased earnings¹ Number of females with increased earnings¹ Number of males ages 15-19 with increased earnings² Number of females with a disability with increased earnings³ Number of females with a disability with increased earnings³ Number of females with a disability with increased earnings³

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• Number of crisis or conflict-affected individuals with increased earnings⁴

¹ All activities reporting on this indicator MUST report on sex disaggregates. To report "number of males/females with increased earnings," all males/females whose earnings increase after inflation adjustment should be counted, regardless of the size of the increase. Activities that rely on a sample of learners rather than a census to report results should sample to ensure representation of males and females.

² All activities should report on age disaggregates, though activities need not sample to ensure representation by age band. Report 0 if not statistically significant.

³ The USAID Education Policy defines children and youth with disabilities as those who have long-term physical, mental, intellectual, or sensory impairments that, in interaction with various barriers, may hinder their full and effective participation in society on an equal basis with others.

For activities that target individuals under the age of 18 as beneficiaries, only activities that are focused on improving outcomes of individuals with disabilities need to report on this disaggregate. This includes activities that identify individuals with disabilities as a target beneficiary or sub-beneficiary group. Activities that do not have an explicit focus on outcomes for individuals with disabilities under the age of 18 are not required to report on this disaggregate. For example, activities that broadly support differentiated and inclusive instruction but do not target specific learning outcomes for individuals with disabilities need not report on this disaggregate. Activities that rely on a sample of individuals under the age of 18 rather than a census to report results should sample to ensure representation of individuals with disabilities.

All activities targeting individuals ages 18 and older should report on this disaggregate, though only activities that are focused on improving the outcomes of youth with disabilities must specifically sample for disability status. This includes activities that identify individuals with disabilities as a target beneficiary or sub-beneficiary group.

Activities whose beneficiaries include individuals who are under 18 and individuals who are 18 and older should follow the relevant guidance above for each group.

Activities reporting on this disaggregate should use a custom or pre-existing age-appropriate tool to identify disability status. Several existing tools—such as the Child Functioning Module, Washington Group Short Set, and Washington Group Extended Set—are available. <u>USAID's Disability Identification Tool Selection Guide</u> and <u>USAID's How-To Note: Collecting Data on Disability Prevalence in Education Programs</u> may be helpful.

⁴ Please see the USAID Education Policy for definitions of "conflict-affected" and "crisis-affected." Activities in which only some individuals are affected by crisis or conflict and which rely on a sample rather than a census of learners for data collection should sample to ensure representation of individuals affected by crisis or conflict.