

Evaluating the Outcomes and Impact of Entrepreneurship Training on Livelihoods Recovery after Typhoon Haiyan

Plan International (Plan) has been working in the Philippines since 1961 and is one of the country's longest-serving development organisations. Following Typhoon Haiyan in 2015, Plan introduced the ILO's Community-Based Enterprise Development Program (C-BED) as part of its work to support livelihoods recovery in affected communities in Eastern Samar, Western Samar, Cebu and Leyte. Since introduction, more than 3,000 individuals – both aspiring entrepreneurs and micro business owners - have received C-BED and the approach has now been taken up in Plan's regular programming around the country.

The following report summarizes the impact assessment results for C-BED training delivered by Plan under the Haiyan response work and has been developed with the intention of providing insights into the approaches value more broadly as a tool for livelihoods programmes. To assess impact, this report draws exclusively on data submitted by Plan via the ILO's Shared Measurement Platform (SMP) and is evaluated against the pre-defined indicators endorsed by project partners.

A total sample size of 864 responses to pre-training (n=385), post-training (n=354), and tracer (n=125) survey questionnaires were assessed.

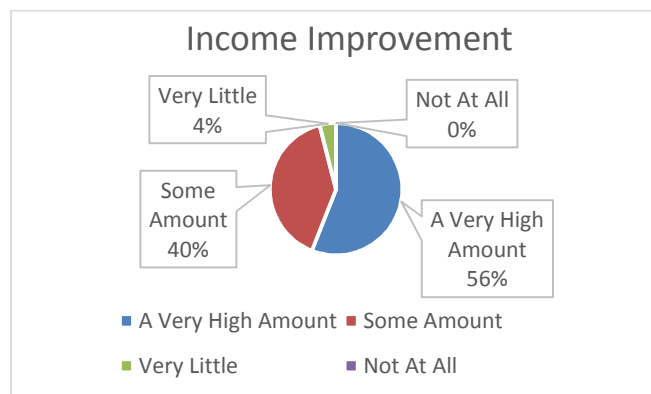
Participants

Participants ranged in age from 18 to over 50 years with women representing 72% of those trained and 49% of those contacted for follow-up tracer surveys. In response to highest level of education achieved, the most common demographics were those who had completed primary (26%) and secondary qualifications (48%). Based on the information shared, most participants were earning an income (68%) at the time of the intervention with an average income of US \$5 per day. 61% of those who were earning an income did so through self-employment. 90% of participants reported they had never before had access to or participated in training on entrepreneurship or business development.

A breakdown of the sample demographics and other key results is provided in the Annex for Data attached.

C-BED improves income and employment

96% of individuals trained in C-BED by Plan reported an improvement in income at the time of follow-up tracer surveys and unemployment fell from 25% to less than 1% over the same period. Evidence that C-BED training also had a positive impact on practices that promote income security can be inferred from the result that 97% of participants reported improved savings habits when contacted in tracer surveys.



In comparing Plan's data to the overall SMP sample for C-BED programs in Asia and the Pacific, a larger number of trainees reported an improvement in income in Plan's program (97%) than the general sample (57%). Among the other indicators for employment and income there were no statistically significant differences.

C-BED improves business outcomes

The results indicate that C-BED has a positive effect on business outcomes with self-employment among the sample increasing from 61% to 85% between pre-training and tracer study surveys and the majority of participants attributing business improvements to C-BED across a range of measures:

- 93% reported more units sold (90% of participants credit improvements to C-BED)
- 92% reported greater total revenue (93% of this group credit C-BED)
- 92% reported more profit (86% of this group attribute the outcome to C-BED)
- 89% reported improved cost management (90% of this group give credit to C-BED)
- 90% reported more output per hours worked (94% of this credit C-BED)
- 94% reported an improvement in product quality (90% of this credit C-BED)

Comparison of these business outcomes to those identified in the total SMP sample for C-BED programs in Asia and the Pacific reveal that individuals trained by Plan in the Philippines experienced larger rates of improvements across all measures of business performance. On average, improvements following C-BED in Asia-Pacific range between 62% and 67%.

In relation to access to finance, 78% of entrepreneurs trained by Plan relied on grants from NGO to start or improve their business while only 4% accessed capital through formal microfinance institutions. This prominence of NGO grants as the source for capital is not consistent with the findings for C-BED more broadly for Asia and the Pacific where access to finance is represented by 26% grants, 25% personal savings, 13% microfinance or bank loans, and 24% accessing no funds at all.

C-BED strengthens social capital

96% of the entrepreneurs trained by Plan reported the relationships they had established in C-BED had proven to help them start or improve their businesses.

In comparison to the overall results in Asia and the Pacific, Plan has stronger results on social indicators. In tracer survey samples from all C-BED partners, 61% of participants reported relationships with other group members that had contributed to business start-up or improvement.

Key Findings

C-BED training has the potential of making experienced and potential entrepreneurs become aware of the discipline of running a business. C-BED training at the very least creates awareness and appreciation of the basic requirements of running a business. Survey results show that participants claim to be more confident in applying skills and knowledge they learned from the workshop, and to implement the plans developed during the training.

C-BED recipients have reported near-universal business improvements across a range of measures and would recommend the program to others. Plan International training participants were satisfied with the program: in post-session surveys reveal that 96% of participants would recommend C-BED to friends and 97% would attend additional C-BED training if provided the opportunity. Survey results showed Plan participants to give higher ratings for C-BED on all evaluation metrics when compared to the general SMP sample.

C-BED's effectiveness is almost guaranteed with supporting interventions after training. C-BED was not designed by the ILO with the intention of being a stand-alone service, particularly for entrepreneurs who have not attended any structured business training previously. Plan post training interventions could be credited for the high incidence of application of C-BED skills and knowledge resulting in noticeable improvement in business outcomes and noticeable improvement in operations.

In comparison to the general results of impact assessment of C-BED in Asia and the Pacific, Plan International in the Philippines has achieved stronger results in the areas of employment and income, business outcomes, and social capital. This is likely due to the comprehensive support Plan offers participants through financial support and ongoing follow-up.

Access to more survey questions and data visualizations is available through the shared measurement platform provided to partners by the International Labour Organization, available through the contact below.

Contact Information

Wade Bromley
Livelihoods and Enterprise Development Technical Officer
Decent Work Technical Support Team for East and South-East Asia and the Pacific
International Labour Organization (ILO)
United Nations Building
Rajdamnern Nok Avenue Bangkok 10200, Thailand
Tel: +66 2 288 1234 | Fax: +66 2 288 3062
Email: bromley@ilo.org

**While an effort has been made by the ILO to interpret data carefully, it was not possible to adequately account for the impact of factors related to the broader economic-recovery in post-Haiyan communities and the results presented in this assessment report are thus subject to uncertainties. Actual attribution of impact may vary.*



Dionysio & Lilia's Story:

Dionysio and Lilia are a married couple from Samar. He's 42 years old and Lilia 39. They have 8 children, the eldest is 18 years old and the youngest, twins, are 4. They used to live in another area but found it too far to commute and too difficult for the children to go to school, so Dionysio made a small house near the school out of wood and tarpaulins provided by various NGOs and this is where the family of 10 currently live.

Dionysio only finished grade 1 while Lilia finished grade school. They want a better future for their children so education is important to them. They have some basic dreams – to have a house on a small plot of land, to ensure their children finish schooling and, for this, to have a successful small business that can provide needed funds.

Each morning Dionysio goes to their farm to check on their vegetable patch and pigs while Lilia cooks a range of food items that she sells outside their house or around the neighbourhood. Lilia has been selling cooked foods and vegetables ever since they got married. Without specific skills or formal employment opportunities they knew they had to do something to earn a living. Selling cooked foods and vegetables was easy for Lilia, as she enjoys cooking, so this was what they set their sights on. Dionysio and Lilia decided to start a food vending business, for which Dionysio built a small store outside their house. CBED training and seed funding from Plan helped them get started.

Business Management: Everyday, Lilia wakes up at 4am to prepare ingredients and start cooking. She sells her food items at the store until 11am. If there is food left over, Lilia will go out to sell among her friends around the neighbourhood, and can usually expect to have everything sold by lunchtime. In the afternoon, she often goes to the beach and gathers local shellfish found on stones there, to be sold the following day.

Lilia and Dionysio try to minimize their costs by getting vegetables from their farm and selling the shellfish they harvest by the sea. By minimizing costs, they hope to earn more, but their pricing, is still estimated. Lilia just follows

market prices as she also has competitors from another neighbourhood.

Lilia's competitors sell in their own neighbourhood as well as in Lilia's. As such, the competitors are able to sell more, and reach more customers. Lilia, on the other hand, feels embarrassed to compete and as such, sticks to her own network and territory.

To sustain her business, Lilia makes sure that she takes care of her network, cooks only what she can sell so that expenses are managed, and keeps her budgeting tight in order to stretch a cash grant they received from Plan. Lilia believes that her clients will stay with her due to good relations and also because she sells good quality, delicious cooked food.

On the C-BED Intervention: When news of the CBED training came, Dionysio attended. The CBED training was in English, hence Dionysio did not understand the written materials. But with CBED's peer-based approach the class became a close-knit group of friends, helping each other understand the manual and the materials given. At the same time, Lilia joined a CBED class, and she knew how to read and write.

Dionysio and Lilia often consulted with their classmates. Plan International also checked their progress and documents regularly for additional coaching and mentoring. Through this process, they have been able to stay on track and have seen their money grow. From the initial cash grant of PHP 15000 they now have approximately PHP 26,980 saved, and their business is doing well.

When the cash grant of PHP 15000 was given to them, Dionysio and Lilia were able to start their food vending business. The money was used to buy ingredients for their business and also to sustain their household, feed their children, buy clothes, and put them to school. They knew they were "borrowing" money from the capital for home expenses. But they also knew they had to return the money used to the business, to sustain their business. This is an important lesson they learned from C-BED.

From C-BED, Dionysio and Lilia also learned to keep their records, track their cash flow and manage their small operations. Dionysio and Lilia can see their business growing and they have money despite the odds and the competition.

Their CBED classmates are also applying the same things, each with a unique strategy for running their business. While Melinda, the sari-sari store owner gives discounts and maintains good client relations, Lucing, with a rice store, is happy to joke around with clients and achieve limited profit margins. On the other hand, Mary Grace, a bread vendor, perseveres in going to many neighbourhoods to develop an extensive network and sell more bread. CBED has helped each develop their unique opportunities in individual ways.

Data Annex

Table 1 Demographics

	Pre-session n=385		Tracer n=125	
Gender				
Male	106	28%	64	51.2%
Female	272	72%	61	48.8%
(unanswered)	7		0	
Age				
18-30	60	16%	15	12.61%
31-40	101	27%	35	29.41%
41-50	74	20%	19	15.97%
Over 50	137	37%	50	42.02%
(unanswered)	13		6	
Education				
Primary	98	26%	33	28.45%
Year 7-9	22	6%	0	0%
Secondary	160	42%	60	51.72%
Technical	55	15%	3	2.59%
University	33	9%	20	17.24%
(unanswered)	7		9	

Percentages are calculated excluding nonresponses.

Table 2: Social Outcomes from Post-Session Surveys

Respondents were asked to indicate assent on a 7-point Likert scale; positive responses (between 5 and 7) are included.

Did you meet anyone in C-BED who may help you start a new business?	45.48%
Did you meet anyone in C-BED who may help you improve your business?	52.82%
How good are you at communicating with others?	49.15%

Table 3: Social Outcomes from Tracer Surveys

Respondents were asked to indicate assent on a 5-point Likert scale; positive responses (3 and 4) are included

How much have the relationships/friendships you made at C-BED helped you to start your business?	96.8%
How much have the relationships/friendships you made at C-BED helped you to improve your business?	96%

Table 4 Livelihood Outcomes from Tracer Surveys

Respondents were asked to indicate assent on a 4-point Likert scale; positive responses (3 and 4) are included

After completing the C-BED training, how has your income level changed?	96%
To what extent have you practised better saving habits after the C-BED training?	98.4%

Table 5 Business Outcomes from Tracer Surveys

Respondents were asked to indicate assent on a 4-point Likert scale; positive responses (3 and 4) are included.

	Have you seen improvements in the following areas?	How much would you say the changes above were actually due to C-BED?
Promoting your business	93.6%	92.8%
Customer Retention	94.4%	92.8%
Capacity	96%	88%
Market Share	73.6%	75.2%
Order Fulfillment	76.8%	81.6%
Downtime	70.4%	76.8%

Table 6 Additional Business Outcomes from Tracer Surveys

Respondents were asked to indicate assent on a 5-point Likert scale; positive responses (3 and 4) are included.

	How have the following changed in your business since the last C-BED workshop?	How much would you say the changes above were actually due to C-BED?
Units Sold	92.8%	90.4%
Total Revenue	92%	92.8%
Increase in Profits	92%	92%
Managing the Costs of Running the Business	88.8%	92.8%
Ease of Doing Business	91.2%	96%
Overall Productivity	89.6%	94.4%
Quality of Products and Services	93.6%	93.6%
Efficiency in Using Resources and Materials to Produce Goods	92.8%	89.6%
Number of Customers	96%	94.4%