



# Evaluation Summary



International  
Labour  
Office

Evaluation Unit

## SCORE - Sustaining Competitive and Responsible Enterprises

### Quick Facts

**Country:** India

**Final Evaluation:** August-November 2012

**Mode of Evaluation:** Internal

**ILO Administrative responsibility:** ILO  
Delhi

**Technical Area:** ILO ENTERPRISES/SME

**Evaluation Management:** Stephan Ulrich

**Evaluation Team:** Consultants: Nexus  
Associates Inc. (Eric Oldsman) and Kaarak  
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**Project End:** December 2013

**Project Code:** IND/09/50/SWI;  
IND/10/50/NAD

**Donor:** SECO (US\$492,307); NORAD  
(US\$371,895)

**Keywords:** Enterprise Development, Work-  
place Practices, Productivity, Working  
Conditions

### Background & Context

#### Summary of the project purpose, logic and structure

SCORE is a practical training and workplace improvement project to increase the productivity of small to medium-sized enterprises (SMEs) while promoting respect for workers' rights. The project demonstrates best international practice in manufacturing and service sectors and helps SMEs to

participate in global supply chains. Through the SCORE technical cooperation project, the ILO is assisting government agencies, training organizations, employers' organizations, industry associations and trade unions in emerging economies in Africa, Asia and Latin America to offer SCORE training to enterprises.

SCORE India's development objective is to improve the performance of SMEs in terms of providing sustainable and decent employment. SCORE India is expected to achieve the following outcomes:

1. Industry associations can market and coordinate enterprise upgrading services to their local stakeholders.
2. Business development service providers (BDSPs) or training institutions (TIs) can effectively deliver training and advisory services for workplace upgrading on a sustainable basis.
3. Progressive workplace practices are shared and disseminated at the local, national and global level in collaboration with labour inspectorate services and mass media.

The project offers training and consulting services to SMEs (defined in India as companies with 40-300 employees) in the areas of workplace cooperation, quality management, clean production, human resources, occupational safety and health.

## **Purpose, scope and clients of the evaluation**

*The objective of the final internal evaluation of the first phase of SCORE India is to assess progress made since its inception, identify important lessons, and offer recommendations for the project going forward.*

*The evaluation covers the period from December 2010 to present and addresses a series of questions related to relevance, design validity, efficiency, sustainability and management outlined in the terms of reference (ToR).*

## **Methodology of evaluation**

*A mixed methods approach was used for the evaluation. The sources of information, included:*

- a) Policy documents and program material*
- b) Key informant interviews, four factory visits, and two written surveys*
- c) Field work in India: conducted 9-20 September 2013, culminating in a stakeholder briefing held at the Ministry of Labour and Employment (MoLE)*

*The evaluation followed a transparent and participatory methodology in regards to ILO guidelines for independence, credibility and transparency.*

## **Main Findings & Conclusions**

### **Validity of the intervention design and relevance**

*SCORE India (following global SCORE premises) is built on the concept of lean manufacturing and workplace cooperation as a means of boosting productivity. This has been found to be well placed as sound management-worker relations are needed to sustain continuous improvement. Nevertheless, more time is needed to put a greater emphasis on labour conditions and OSH (modules 4 and 5) and assess the results.*

*The link between SCORE training and increased employment, higher wages, and greater compliance with labour laws is weak. Since enterprises in the clusters compete for the same customers, while productivity and wages may rise in a particular enterprises this might come at the expense of another.*

*SCORE is not a typical ILO tripartite project – there is little involvement of the Ministry of Labour or Trade Unions – but its nature to be a demand-driven product places it more specifically on the employers' side. There needs to be a major effort to include labour inspectors in the training so SCORE guidelines become part of good practice among the enterprises.*

*There needs to be greater flexibility and adaptability for the success of the program in regards to particular conditions in India, for example:*

- a) The ability of industry associations to market and organize training (as the institution's capacity in India is limited);*
- b) The eligibility threshold of the enterprises (the threshold of min. 40 employees is believed to be restrictive by some local stakeholders).*

*SCORE India acknowledges the importance of gender equality and includes gender related issues in the training modules. Nevertheless more efforts are needed to promote gender awareness and non-discrimination, as well as ensuring gender mainstreaming.*

*There needs to be a much more aggressive communication and information campaign regarding SCORE India, not enough is being done to advertise and publicise it.*

### **Progress and Effectiveness**

*Due to the size and complexity of the country, SCORE India faced a considerable delay in its launch and subsequent rollout in the selection of clusters and models. Nevertheless, SCORE India has also achieved some important results.*

*At present, SCORE India is working with enterprises in three clusters (Ahmednagar,*

Chennai and Faridabad) in the light-manufacturing sector. Until now, 27 individuals have received training to be SCORE trainers. At the moment there are currently nine active trainers of which five are certified.

Although the ILO pays for the bulk of the training costs, the model used in Ahmednagar may portend a better chance for institutional sustainability. The association has shown promising assumption of ownership of the program and responsibility in the delivery of the SCORE training.

41 enterprises have participated in training since the inception of SCORE India in at least one module. 42% of enterprises have taken additional modules. Stronger efforts need to be made to motivate enterprises to continue training in additional modules.

The following results were derived from the survey applied to all enterprises in India which participated in SCORE training:

- a) All enterprises which responded to the survey expressed satisfaction with SCORE. Nevertheless roughly 58% suggested that four factory visits per module were insufficient;
- b) Approximately 70% of enterprises that responded to the survey stated that SCORE has addressed the need of training in workplace cooperation and cleaner production that they lacked;
- c) A great majority of enterprises (82% and 91% respectively) chose SCORE over other programs due to its overall higher quality of instructors and material.

Regarding the four enterprises that were visited in Ahmednagar and in Chennai as part of the evaluation, important results were observed:

- a) All four enterprises reported improvements in workplace cooperation, workflow, quality of production and production efficiencies. For example, in Ahmednagar the total estimated annual cost savings for two

companies (Amod Industries and Tej Industries) is USD 2,110 and USD 3,630 respectively;

- b) Managers and workers at all four enterprises have reported better communication and teamwork. Nevertheless, while enterprises have benefitted, it is too early to tell whether the changes will be sustained.

### **Impact orientation and sustainability**

Impact cannot be seen in such a short period of time. The development results of the project can only be achieved over the long-term.

Sustainability is one of the challenges of the project for the next phase. To consider the three levels of sustainability as defined by the project (financial, technical, institutional) requires also a longer time frame, in which a branded product is being marketed to both SMEs and service-providers. This is not yet the case and should be one of the foci of the last year of the project before a new phase begins.

Another important challenge is to fully adapt the SCORE training to local needs. The agreed log frame for SCORE India indicated that all training materials would be locally adapted and translated, but this work has not been completed.

SCORE is nevertheless considered a good and useful project that fills a gap and has great potential. It has further benefited from the support of very pro-active donors SECO and NORAD in India.

### **Recommendations & Lessons Learned**

#### **Main recommendations and follow-up**

R1. ILO should formulate a strategy to ensure the sustainability of SCORE training.

R2. ILO should develop a “business plan” for SCORE training.

R3. ILO should enter into cooperation agreements with distribution partners in India.

R4. ILO should complete product development as soon as possible (mainly adaptation of Modules 4 and 5).

*R5. ILO should clarify governancy policy (with TAG playing a critical role in evaluating alternative paths, operating plans and key policies).*

### **Important lessons learned**

*LL1. SCORE training can be effective under particular circumstances (if owners and managers are committed to improvement and are actively engaged in the process).*

*LL2. Only a small fraction of eligible SMEs are likely to elect to participate in SCORE (for example, in Ahmednagar the pool of eligible SMEs is small and unlikely to seek assistance if left to their own volition).*

*LL3. The success of the operating model has not yet been proven and the current fee structure makes it difficult to retain the pool of qualified trainers (travelling long distances is expensive).*

*LL4. The financial sustainability of SCORE training is far from certain (as it also depends on the clusters selected).*

*LL5. Better planning and M&E systems are required. The implementation plan for SCORE India was not as clear as it should have been, nor was it subject to a rigorous, quantitative impact assessment.*

*LL6. The emphasis on lean manufacturing and workplace cooperation as a means of boosting productivity is well placed. Trainers have made more enterprise visits than agreed, showing commitment and responsiveness to SME needs.*