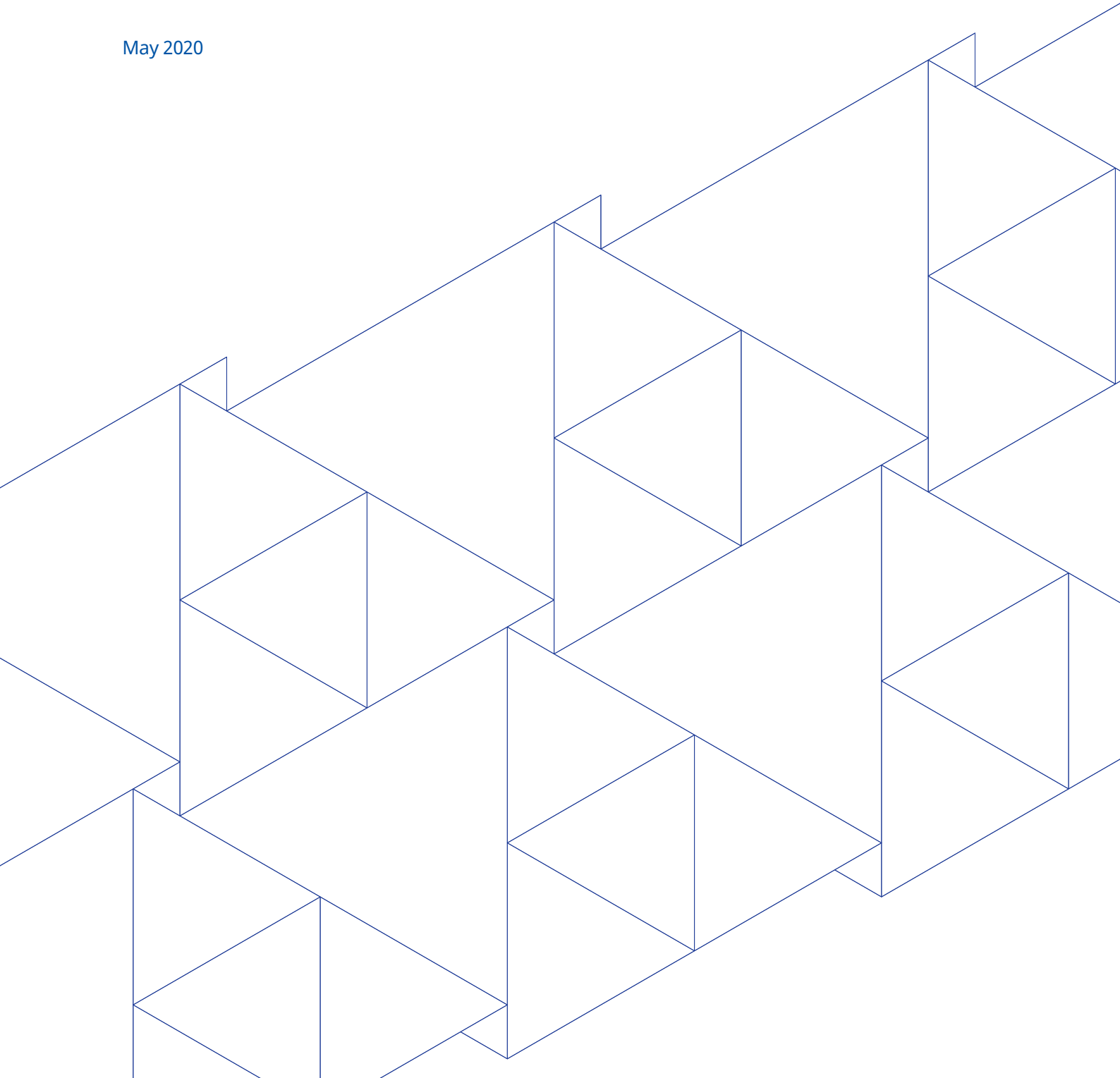




▶ ILO's response to the impact of the COVID-19 pandemic on workers and enterprises

- ▶ What evaluative lessons can be drawn from the ILO's past response to an economic and financial crisis?

May 2020





The crisis that the COVID-19 pandemic poses threatens the health and livelihoods of millions of people and is having major economic and employment repercussions worldwide. *The ILO has been called upon to provide impact-proven measures in an efficient manner that can help mitigate and overcome its long-term and negative consequences for both workers and enterprises.* The current crisis strengthens ILO's call for a reinvigorated Decent Work Agenda as a means to alleviate the devastating socio-economic impact felt worldwide. This i-eval IN-FOCUS issue looks at lessons that can be drawn from ILO's response to the 2007-08 global economic and financial crisis and its impact on the world of work.¹

¹ In the spirit of contributing to learning from past experience, EVAL has over the past decade developed a suite of products extracted from evaluation reports, ranging from: lessons learned and good practices repositories ([i-eval Discovery](#)); [newsletter series](#); evaluative [Think Pieces](#); [meta-analyses](#) and thematic [synthesis reviews](#) of selected [evaluation reports](#); and [fact sheets](#). Since 2020, EVAL has introduced a new knowledge product entitled i-eval IN-FOCUS - Internal learning series, aimed to provide more granular learning on targeted topics based on key evaluation results and lessons learned from ILO operations.

Summary of key findings

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- ▶ The ILO's engagement in global partnerships and collaboration platforms enabled the organization to demonstrate its comparative advantage by being uniquely positioned to promote Decent Work (DW) concepts for a strong economic recovery.**

The ILO successfully shaped global debates on social dialogue, social protection and employment concerns, which in turn led to an increased ability to leverage resources. The agency's enhanced visibility in the international and national community was the result of extensive efforts of the ILO to respond to growing demands from constituents and partners.
 - ▶ The "One UN" approach enabled the ILO to assist other UN agencies to define decent work-related gaps, priorities and actions that were underpinned by an inclusive growth model.**

Greater coordination and shared strategies between donors and UN partners (including within UNDAF) was critical for the success of integrated and coherent responses to the crisis. Similarly, national engagement with stakeholders, beyond constituents, was essential to create integrated policy responses for balanced growth.
 - ▶ External factors and the crisis response drove the ILO to provide concrete support to constituents in severely affected countries. However, it also diverted attention away from other key aspects of the Decent Work Agenda (DWA).**

Comprehensive diagnostics, combining decent work country profiles, enterprise enabling environment analysis, and employment policy and skills development were key to anchor integrated support. In some instances, aligning the crisis response support with on-going operations and harmonizing products and services were challenging. However, optimizing resources and enhancing operational coherence and reporting to partners and donors were important.
 - ▶ Short-term projects combined with the lack of long-term strategies were obstacles to ensuring a comprehensive understanding of the linkages between job-rich recovery, enterprise growth and productivity, social protection, and social dialogue with the poverty alleviation agenda.**

Equally, an active engagement of constituents and other core stakeholders in the design and implementation stages of interventions was key to ensure long-term impact and sustainability of the ILO's work in response to the crisis.
 - ▶ In some countries, overambitious designs and inadequate monitoring frameworks challenged the organization to demonstrate results. Pilot projects and a disconnect between programme planning and resource mobilization led to a limited number of new initiatives that could sustain the ILO's work in response to the crisis.**

The lack of attention to project cycles limited the sustainability of the ILO's work and demonstrated a need to identify and focus on critical approaches and exit strategies for sustainable outcomes.
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1. Introduction

This i-eval IN-FOCUS internal learning issue was drafted on short notice to be responsive to current ILO efforts to address the COVID-19 crisis. The review collates experience and lessons learned from project evaluations that addressed the fall-out of the 2007-08 global economic and financial crisis. Whether all of the lessons learned during that crisis are transferable to the current crisis is debatable given the specific gravity and nature of the current one, but it is certainly worth considering.

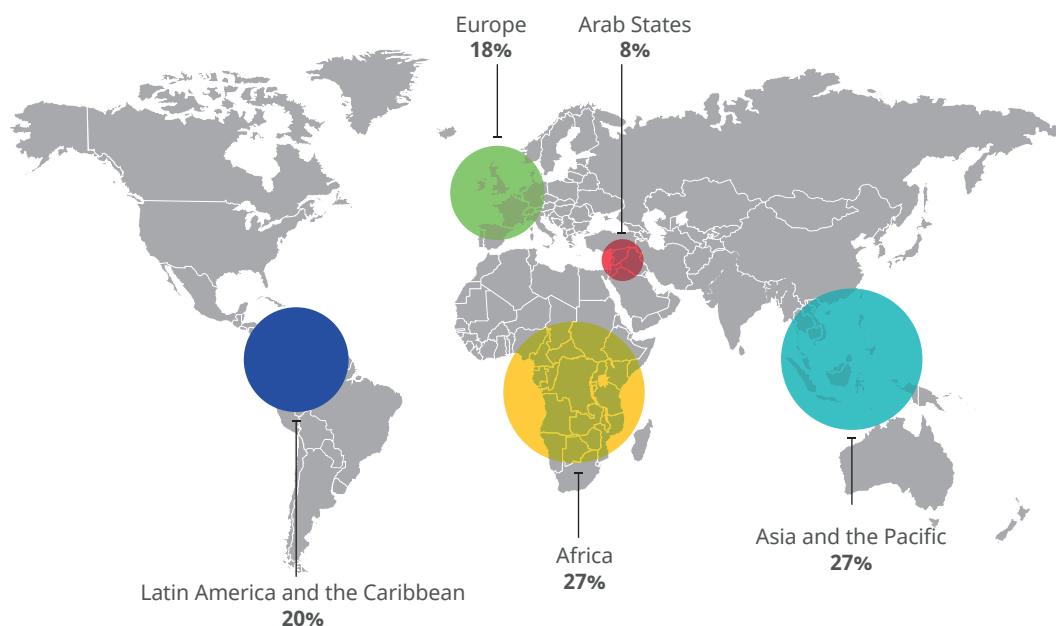
This paper synthesizes evaluation results for the most critical period of the 2007-08 economic crisis response, namely 2008-14. The main findings were compiled from a compendium of 79 selected high-level, thematic and project level evaluations, meta-analyses and synthesis reviews (see Figure 1)². These reports identified actions undertaken by the ILO in response to the aforementioned crisis and allowed the necessary longitudinal assessment to illustrate the sustainability and impact of success factors and main obstacles.

Figure 1. Overview of reviewed evidence

Policy outcome



Regional coverage



² A synthesis review approach was taken to identify and synthesize information. The review included: 15 policy and institutional and 12 DWCP high-level evaluations; meta-studies of DWCPs and CPRs (2), as well as Development Cooperation projects (3); thematic synthesis reviews (4); and a selected sample of 43 independent final and interim evaluation reports from a total universe of 287 decentralized evaluations. The review methodology drew from principles of systematic review methods to select and screen documents, and in-depth analysis of qualitative information.



2. Different crises with different origins but leading to similarly devastating effects on the world of work

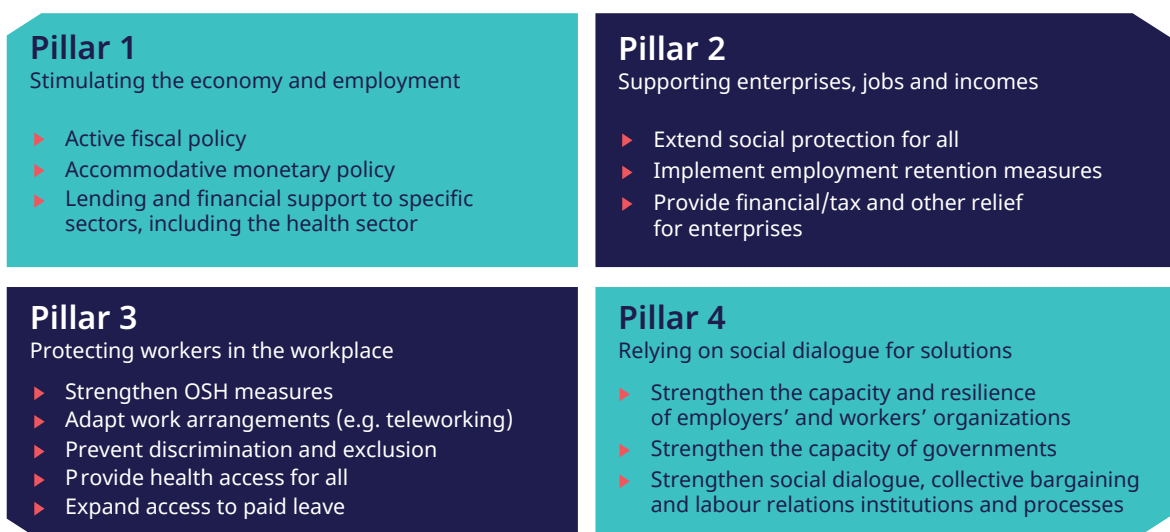
The financial and economic crisis of 2007-08 rapidly evolved into a global employment crisis. In many countries, it led to job losses, high levels of unemployment, growing income inequality, and a growing informal economy. It exacerbated the risks of a major labour market recession, highlighted the absence of universal social protection coverage and weakened social cohesion. The adoption of massive financial rescue measures and fiscal stimulus packages following the crisis did not address the structural imbalances that already existed and lacked sufficient focus on decent work as the cornerstone of the recovery.

Gradually, and particularly after 2007, the ILO's employment objectives and strategies were reinforced and given higher priority around the globe. Steps were taken to promote global policy coherence for shared prosperity and development. *The 2009 Global Jobs Pact (GJP) adopted by the International Labour Conference (ILC) provided a crisis response framework to boost the economy through employment-oriented actions, reinforced social protection systems, strengthened recognition for international labour standards and reinvigorated social dialogue as a means to good governance.* Operationally, interventions were integrated into Decent Work Country Programmes (DWCPs). The primary means of action encompassed partnership building, policy

support, awareness raising, capacity building, knowledge creation and dissemination, including real-time information on country level policies and measures.

The current COVID-19 crisis is likely to have even more devastating socio-economic consequences. The ILO's most recent estimates indicate that global working hours in 2020 are expected to be 10.5% lower than in 2019 (equivalent to 305 million full-time workers). Just as devastatingly, roughly 436 million enterprises in the hardest-hit sectors worldwide have already been impacted. Finally, the global rate of relative poverty is expected to increase for informal workers by almost 34%³. A lesson learned from previous crises is that support to workers' incomes and employment needs to be at the core of the emergency and recovery effort. *Protecting jobs, supporting small and medium-sized enterprises, and informal sector workers constitute a building block of the UN System socio-economic response framework to the COVID-19 crisis⁴.* The integrated nature of the ILO's DWA is proving to be a well-suited response to the unfolding deterioration of the employment outlook. In line with the ILO Centenary Declaration for the Future of Work, *the ILO's policy messaging is focused on the need to mitigate the impact of the crisis with a job-rich recovery as the foundation for inclusive and sustainable growth*, as shown in Figure 2.

Figure 2. Four key pillars to fight COVID-19 based on International Labour Standards



3 ILO, [ILO Monitor. COVID-19 and the world of work. Third Edition.](#) April 2020

4 United Nations, [A UN framework for the immediate socio-economic response to COVID](#), 19. April 2020

3. Six key lessons learned from ILO evaluation reports for the period 2008-2014

This section presents lessons learned on the main success factors and obstacles ILO encountered while supporting countries overcome the 2007-08 crisis. The case studies included in this section shed light on identified key drivers and challenges for ILO's operational effectiveness.

Lesson learned 1: Inclusive and equitable employment policies require long-term strategies

In the aftermath of the economic and financial crisis from 2007-08, *the ILO facilitated the increased international visibility of employment policy issues and their importance for inclusive growth. This led to a general recognition that productive employment and decent work play a key role in promoting inclusive growth.* This recognition was instrumental in setting donor and countries agendas, allowing the ILO to support employment-oriented measures.

At the country level, broader-scoped "decent work policy assessments," that included employment scans, were crucial to successful consultations and dialogue on crisis policy responses around employment-wide issues. In turn, these fed into DWCPs and were the basis, both for policy reforms and capacity-building activities, that led to increased awareness of international labour standards and conventions. Field-level leadership was essential for the ILO to provide integrated technical support and policy dialogue that were aligned with national responses to the crisis, development plans and UNDAFs.

Awareness raising activities were important to promote constituents' understanding of necessary reforms and to gain their buy-in. Nonetheless, evaluations concluded that *the impact and sustainability of the ILO's work in response to the crisis could have been improved by articulating coherent policy strategies that involved stakeholders other than the traditional ILO constituents.*

The implementation of a longer-term vision to support countries through all stages of the employment policy cycle was also essential for the sustainability of the ILO's work. Ex-post evaluation results point to the role of *longer-term partnerships* with development actors as being necessary to secure funding

and to allow follow-up actions. Initiatives that only entailed capacity building proved to have a minimum impact if major structural issues were not also addressed (see case study 1).

The ILO's enhanced visibility in the international and national communities was the result of *extensive efforts to respond to the strong demand for position papers, in addition to analytical and progress reports.* In some instances, *country-level operations, driven by the Global Jobs Pact (GJP), caused overlaps and duplications in policy dialogue within existing DWCPs. Heavy workloads in field offices and ambiguities with regard to competing priorities diminished the ILO's efficiency.* In some instances, this compartmentalization within the Office led to fragmented support which was negatively perceived by constituents.

Case study 1: Sustainable alternatives to capacity building initiatives in a crisis environment⁵

Funded with RBSA contributions, in 2011, the ILO supported an innovative project designed to address decent work and the GJP. The project was highly successful. For instance, it led to a greater understanding by constituents on the way forward in areas such as unemployment, undeclared work and minimum wage reform. Because of limited funding and risk that employment opportunities could dissipate quickly, the project prioritized the planning of human capital and stakeholders' ownership to sustain results beyond the project end date. Facilitation of dialogue and establishment of targeted mechanisms for the active engagement of stakeholders, other than ILO constituents, was pursued in order to achieve greater sustainability of results.

⁵ ILO, Evaluation Office, [Review of the Regular Budget Supplementary Account \(RBSA\) Projects in the former Yugoslav Republic of Macedonia](#), 2012

Lesson learned 2: Supporting enterprises while demonstrating the importance of a job-rich recovery

In 2008, the Office was specifically called upon to focus on practical and demand-driven responses to enable the right conditions for sustainable enterprises, stimulating entrepreneurs and nurturing responsible workplaces. Gender equality and empowerment, formalization of informal enterprises, and environmental sustainability were equally addressed.

While the ILO raised international interest on these issues, *a certain degree of duplication between the ILO and sister agencies led to operational overlap at the international and country levels.* Nonetheless, the DWCP framework and ILO's close interactions with the social partners were conducive to greater alignment of country strategies for sustaining enterprises. *Diagnostic tools that combine decent work country profiles, enterprise enabling environment analyses, and employment policy and skills development were key for developing integrated support.*

Evaluations provided evidence that much of ILO's work remained anchored in enterprise growth and improvement to productivity, with less progress being made on how this could improve job growth. *More attention to monitoring its progress could have demonstrated such links.* In many countries, the Office lacked the analytical lens to guide a more strategic, country-led vision of decent work into which a role for sustainable enterprises was embedded. This was partly due to the heavy workload of field offices and the ongoing need to mobilize funds for short-term interventions that focused on deliverables that remained the primary mode of funding by donors. A need for *balanced resourcing* was identified for business development services for micro and small enterprises, cooperative enterprises and specialized programming that addressed more vulnerable groups.

Lesson learned 3: Combined skills development and pro-employment policies can maximize the effectiveness of the ILO's work towards a job-rich recovery

The 2008 ILO Declaration on Social Justice for a Fair Globalization and the 2009 GJP provided the necessary frameworks for the ILO to work on skills development as being central to improving productivity, employability and social inclusion for balanced growth. *The combination of ILO's expertise and effectiveness in applying skills systems and approaches, together with its strong relationships with the social partners, positioned the ILO to demonstrate its unique comparative advantage in discussions and negotiations.* The ILO's support to countries encompassed knowledge sharing, capacity building and technical assistance through innovative models targeting vulnerable groups. The ILO was also successful in developing a multilateral, inter-agency knowledge-sharing forum, the Global Public-Private Knowledge Sharing Platform⁶.

Despite reported success stories, several limitations to the sustainability of the ILO's work in this area were identified. First, the *limited resources that were available for skills development models prevented the ILO from testing large-scale implementation approaches.* Second, *new training models were most effective when their benefits were tangible and easy to understand.* For that reason, the ILO's ability to engage other ministries and the private sector in these new models was rather limited. Third, in the aftermath of the economic and financial crisis, most national programmes and schemes on employment focused principally on supply-side interventions. Promoting policies on skills development and improving institutional capacities on their own were less effective. *The particular need to ensure better coherence between vocational education and training, and employment policies was highlighted.* This was demonstrated by the high success rate of interventions that had a demand-side focus, including labour-intensive investment, local economic development and support for the development of pro-employment macro-economic policies.

⁶ Joint initiative with the Organisation for Economic Co-operation and Development (OECD), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Bank.

Lesson learned 4: Capacity building and social dialogue can be important drivers for coordinated social protection reform

The socio-economic impact of the 2007-08 financial crisis gave the final impetus to the idea of a new round of global policies in the area of social protection. *The ILO successfully engaged in global partnerships and collaborative platforms, weighing in on global debates. It also created global governance structures while raising awareness about the ILO's normative framework. This proved to be an effective way to leverage resources, to give the organization more visibility and to shape global agendas.*

The assistance of the ILO, through technical support, was effective and led to the first glimpse of social protection reform in some countries. *Greater involvement of tripartite constituents in the policy reform process was reported as a success factor. Nevertheless, this engagement was more prevalent at the design stage: there was a substantial decline in engagement during the policy adoption and policy implementation phases.* This may have been partly because it seemed to be a lower priority on the

ILO's agenda at that point in time. *Greater attention to capacity building activities was fundamental to ensure that policy formulation results culminated in policy adoption and implementation.*

Responding to technical demands was resource-intensive and required high-level customized expertise and different types of tacit knowledge. This proved to be challenging for the Office given the perceived under-resourcing of country activities and the amount of ILO staff time needed on the ground in order to mobilize funding. In addition, *projects of short duration and with poorly designed logical frameworks were less suitable to respond to the crisis.* This was because they failed to anticipate and address social, economic or political factors that are key for effective policy change (see case study 2).

Emerging social protection agendas were often constrained by a lack of UN coordination. *Agreements on the way forward and shared strategies between donors (including within UNDAF) were critical to overcome excessive transactional costs for national governments during crisis recovery.*

Case study 2: The importance of realistic designs and prioritization in projects of short duration



A joint effort between the ILO and the European Commission on improving social protection and promoting employment⁷ started in 2009 as an input into national social protection and employment policy formulation. Evaluation results demonstrated the relevance of the project, in the context of the international global financial recession. The project contributed to a better understanding of the integrated policy approach. It worked as a mechanism to enhance tripartite social dialogue and to set up the foundations for further local developments towards the formulation of a new social policy. *A key success factor was the institutionalization of social dialogue as part of policy formulation and the establishment of follow-up processes. Others were advocacy and awareness-raising strategies to promote and position the integrated approach more broadly. Notwithstanding, an overambitious design, within a limited project life span, led to gaps in constituents' understandings of the linkages between social protection and employment. This limited the formulation of integrated policies.*

An innovative project on social protection and gender (2010-12),⁸ designed in response to the crisis, failed to demonstrate results because of its ambitious design. As an example, the project aimed to increase women's participation in social dialogue institutions and to develop networks of active women leaders as a way to facilitate peer support and dialogue. As it turned out, *these objectives required long-term approaches for their achievement and the project design could have benefitted from the identification of the most critical strategy to achieve outcomes.* In addition, cross-fertilization between interventions was limited by management structures and by a lack of coherent objectives, thus diminishing opportunities for economies of scale.

7 ILO, Evaluation Office, [Final independent evaluation of "Improving social protection and promoting employment"](#) project, 2013.

8 ILO, Evaluation Office, [Final independent evaluation of "Social Protection and Gender"](#) project, 2012.

Lesson learned 5: Social dialogue as a means for good governance enhances the sustainability and impact of economic and employment policies

The 2007-08 crisis led governments in several countries to restrict union rights and workers' involvement. They achieved this by repealing advances made to labour legislation, constraining collective bargaining, and restricting the right to organize and strike. In this context, the ILO significantly contributed to the post-2008 'balanced growth' strategy of the G20. Key actions included close support to workers' organizations through capacity-building activities while strengthening the implementation and enforcement of ILO standards and principles. This work led to an increased appreciation of sound industrial relations and its role in shaping international economic and employment policies. A 2008 Global Dialogue Forum and action-oriented research into the impact of the financial turmoil were found to be key successful drivers of

the ILO's prompt and efficient response to constituents' needs. The ILO was also successful in promoting a culture of tripartism and supporting constituents in articulating, developing and executing development strategies. This increased the importance of social dialogue's role to one of being essential for policy-making.

While cooperation was instrumental in rebuilding social dialogue as a means to mitigate the negative effects of the crisis, evaluations pointed to the need for intensified efforts to boost cooperation at the local level. Social dialogue was instrumental for supporting and validating national employment policy processes. However, more attention to capacity building of partners and to the enabling environment was needed for enhanced advocacy towards certain policy options. Greater efforts to simplify policy studies and the ILO's main messages were necessary to promote the increased understanding and confidence of social partners to engage in policy debates (see case study 3).

Case study 3: Accommodating project design and implementation to the institutional context is key for successful social dialogue⁹



An EC-ILO Joint Intervention on national tripartite social dialogue started in 2011 in response to the impact of the economic and financial crisis. It built upon the ILO's global expertise on social dialogue and industrial relations. The successful results, confirmed by the evaluation, showed that the ILO's support to social partners, in Greece, led to the 2014 National General Collective Agreement, marking the return of the employers' organization (SEV) to the negotiating table. According to the evidence available, the agreement makes the role of the ILO explicit with "reference to the Common Action project of the social partners on social dialogue". Building on the work commenced during this project, a "Letter of Intent" was signed among national authorities, multilateral partners and international organizations. This allowed the ILO to provide assistance to reforms in the field of social dialogue, social protection and labour inspection in the country. The letter triggered additional funding for ILO projects on labour market reforms.

A key success factor was the manner in which the project adapted to the context in which it operated, notably in light of the hindrance to social dialogue observed in other countries in the aftermath of the crisis. In this regard, an accommodating institutional context and the existence of clear mandates and organizational capacity among social partners were decisive for social dialogue to yield effective outcomes.

⁹ ILO, Evaluation Office, [Social dialogue interventions: What works and why? Lessons learned from a synthesis review 2013-2016](#), 2017.

Lesson learned 6: International policy coherence as a driver to mainstream decent work at the international, UN and country levels

The increased prominence of the ILO as an international player, in response to the global job crisis of 2007-08, led to the *successful building of global alliances for DW mainstreaming; to the adoption of decent work principles by international partners; and to more attention to the decent work agenda in programme documents* (UNDAF and national plans).

At the UN level, the ILO emphasis on employment and DW was positively received. It was seen as complementing and being aligned to the fundamental concerns of the UN system with development and humanitarian issues. *The "One UN" approach enabled the ILO to assist all UN agencies to define the decent work-related gaps, priorities, and actions underpinned by an inclusive growth model.* At the national level, *the crisis created an opportunity to reboot DWCPs to become*

effective frameworks to mainstream the Decent Work Agenda into national policy frameworks. Countries without a DWCP were not able to avail themselves of this opportunity and often experienced reduced resource mobilization.

Despite the aforementioned successes, *the lack of coherence hindered the mainstreaming of DW in many countries. This is because the lack of coherence precluded the ability to articulate and to demonstrate the links to the poverty alleviation agenda. The financial crisis highlighted the importance of understanding the sources of growth. It also highlighted how external challenges caused countries to manage growth, differently.* Most Member States were exposed to few if any analytical approaches. *This level of inconsistency in service provision prevented the ILO from strategically positioning its work at the country-level and in the global debates.* The presence of established ILO offices and well-defined DW frameworks endorsed by constituents were important factors facilitating the mainstreaming of DW.

Case study 4: The importance of monitoring and exit strategies as part of crisis response¹⁰



Under the auspices of the Global Jobs Pact, the ILO provided a substantial amount of technical support to the Western Balkans around the four pillars of the Decent Work Agenda. This support was channeled through respective DWCPs. The key factors of success were related to the ILO's comparative advantage as a value and knowledge-based organization. Even so, the ILO faced a series of external and internal challenges and constraints. Internal factors, over which it had some control, were not adequately managed to balance this situation. *The disconnect between programme planning and resource mobilization showed a lack of capacity to prioritize. As a result, few projects launched in response to the crisis could be sustained once completed. The lack of attention to project cycles limited the sustainability of the ILO's work, and showed the importance of considering exit strategies at the front end of interventions.*

Similarly, the ILO meta-analyses on decent work results from DWCPs (2006-2009)¹¹ and country programme reviews (CPRs) (2008-2013)¹² illustrated the disruptions caused by the financial crisis, not only by curtailing implementation, but also preventing evaluative processes. DWCP frameworks were generally found to be inadequate and limited in their ability to monitor and generate desirable performance information in changing environments. In order to capture the consequences of these dynamics and disruption, more regular monitoring and reporting were deemed necessary to complement evaluation efforts.

¹⁰ ILO, Evaluation Office, [Independent evaluation of the ILO's Decent Work Country Programme strategies and actions in the Western Balkans](#), 2012-2015, 2016.

¹¹ ILO, Evaluation Office, [Meta-analysis of lessons learned and good practices arising from nine Decent Work Country Programme evaluations](#), 2011.

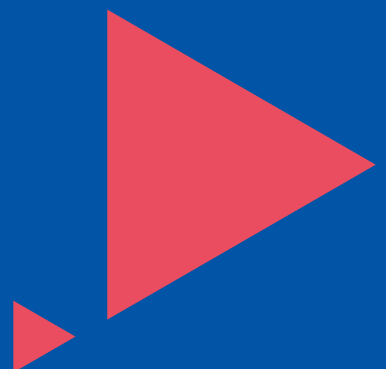
¹² ILO, Evaluation Office, [Delivering decent work results: a meta-analysis of 15 ILO decent work country programme reviews](#), 2014


► Way forward

This i-eval IN-FOCUS internal learning issue was prepared on short notice to provide inputs into current ILO efforts to address the COVID-19 crisis. The review collates experiences and lessons learned from evaluative evidence related to the response to the fallout of the 2007-08 economic and financial crisis. There are clearly gaps in learning that would need to be overcome when assessing how best the ILO should respond to the current crisis.

Part of the reason crises do not always receive the attention they deserve from an evaluation perspective is because the focus is on the response and gathering data under those conditions is difficult. This is in particular the case with the challenges posed by the COVID 19 pandemic. In response, EVAL developed early on a [guidance note with practical tips](#) on how to adapt to the situation so as to undertake credible and independent evaluations at all levels during the crisis. *While evaluation has to adjust to the COVID-19 response, its role is even more important to assess real-time responses. Credible independent evaluations at all levels in the midst of the crisis can be an important input into current and future decisions within ILO and by development partners.*

Looking ahead, based on past and emerging experience, there are many potential lessons about how to cope and adapt during a crisis. *To enhance learning opportunities on the response, proper investments in monitoring, reporting and adapted evaluation is required.* This would include a focus on how to conduct real-time monitoring, evaluability assessments and innovative evaluation. A note (regularly updated) with methodological reflections on the implications for evaluations as a result of the COVID-19 crisis can be found on [EVAL's Knowledge Sharing Platform](#). ILO officials are encouraged to share relevant experience in this forum. Regular updates and summaries will be produced to extract key learnings and serve to further adjust ILO evaluation approaches to capture innovation that are in line with [ILO's new innovation strategy](#).





"The possession of a relevant mandate will not, by itself, guarantee the success of the ILO. It needs to prosecute that mandate by identifying what works in key policy areas under current world of work realities, and advocating persuasively to have them implemented."

ILO, The ILO's Strategic Plan for 2018-21,
328th Governing Body session, 2016