Imagine yourself in the following situations:

The mayor of Tripoli in Lebanon has asked your organization for technical assistance to address youth unemployment in the city. What should be done?

The manager of your country office in Rwanda is interested in self-employment programs for youth. How do you recommend proceeding?

Your strategic plan for the next three years will put stronger emphasis on young people’s transition to work. Which youth employment scheme should you invest in?

Program managers are required to make difficult decisions about these and other programming issues. In order to find appropriate solutions, we need to understand the specific context and design a sound program for it. Hence, before crafting a monitoring and evaluation system, we need to make sure that our intervention itself is carefully planned: Do we have good knowledge about the needs of the people we are trying to support? Do we understand why certain conditions such as youth unemployment and social exclusion exist? Do we have a clear objective? And are we building on existing experience and evidence when designing our intervention to reach this objective?

NOTE 2: Reviewing the Project Design

The only man who behaves sensibly is my tailor; he takes my measurements anew every time he sees me, while all the rest go on with their old measurements and expect me to fit them.

— George Bernard Shaw
Problem Analysis: Do We Understand the Target Group and the Local Context?

When we decide to carry out an intervention to support young people, we imply that there is a discrepancy between the status quo and what could be or should be. This gap between the existing condition and the desired condition is what we commonly refer to as a need. We must understand these needs before we start our intervention.

Using Cross-Sector Youth Assessments to Understand Our Target Group

Economic opportunities can rarely be understood in isolation, but are very much connected to other aspects of life. For example, employment status and income may determine one’s ability to get married or form a family. Therefore, understanding the problems and needs of young people will almost always require in-depth assessments of young people’s living conditions, including their socioeconomic status, behaviors and attitudes, and goals and aspirations. Youth assessments should also capture other important factors relevant to young people’s transition to adulthood, such as health, family formation, and citizenship (for more information on the transitions to adulthood, see World Bank 2006).

Moreover, since young people are influenced by a wide range of factors around them, including family, peers, community, local and national institutions, and social norms, good youth assessments should also analyze the direct, local, and societal environments young people live in (see Bronfenbrenner 1979). A holistic assessment will provide a rich picture of the needs and challenges youth are facing and will therefore allow us to better adapt our intervention to local realities (see figure 2.1). Sample indicators for youth assessments are listed in appendix 1.

FIGURE 2.1 Youth environments

Categories of Analysis

- Poverty status, education, employment, health, family formation, citizenship, crime & violence, vulnerabilities, perceptions & aspirations
- Family, school, neighborhood, youth-friendly services
- Local economy, local government, technology and media
- Demographics, legal framework, dominant beliefs and ideology (including value system, social organization and hierarchies, marriage patterns, etc.)
Analyzing young people’s personal and social environments through systematically conducted interviews, focus groups, and observation will help us identify the major problem we would like to address, such as underemployment or unemployment, or the lack of access to financial services. We may also realize that limited economic opportunities are only one among many issues young people in a specific location are facing, which may suggest ways to build or adapt our intervention so that it can address more than one issue.

Equally important, the assessment will help us specify our target group. Are we interested in all youth, or only those who are out-of-school? What age range do we want to focus on? Are there gender or ethnic considerations we would like to prioritize? What are geographic areas we will target? Given our resource constraints, we are rarely able to serve every young person. A cross-sector youth assessment can help us prioritize, for example by identifying groups that are particularly vulnerable, such as school dropouts, young women, or street youth.

Using Market Assessments to Understand the Local Economy

Given our focus on building or strengthening livelihoods, a prime component of the context analysis is the assessment of the local economy. Analyzing the local economy typically includes assessing the local labor market and assessing the market of goods and services.

Assessing the Local Labor Market

Labor market assessments seek to understand employment patterns and trends in the local economy. Common factors to analyze during such an assessment include the following (Asian Development Bank 2007, pp. 162–166):

- **Labor Demand.** Overall economic conditions; size of the formal and informal sectors; dynamic sectors or industries and geographic areas that have a demand for labor; industry trends and projections; expected number of jobs to be created; skill requirements by occupation; wage levels and earnings; working conditions; hiring practices; employer perceptions; barriers to employment based on gender, age, ethnicity, social status, religion, or other reasons; and so on.

- **Labor Supply.** Size and structure of working age population; employment, under-employment, and unemployment by gender, age, education level, urban/rural areas, sector of the economy, occupation, formal/informal, and public/private sectors.

- **Institutional and Policy Environment.** Existing labor market programs, policies, laws, and institutions, including, for example, minimum wage regulations, employment protection laws, unionization, unemployment benefits, and the like. Other aspects of interest include sectoral economic priorities defined at the national, regional, and local levels.

Assessing the Market of Goods and Services

Assessing the market for goods and services helps determine the potential for small producers to engage in sustainable economic activities and the possible distribution of roles (for example, for youth or women) in these markets (Penrose-Buckley 2007). Common market features to be analyzed include:

- **Market demands and value chains.** Existing and future gaps in terms of

In conducting a rapid community appraisal of the socioeconomic profile of target youth in Jordan, the International Youth Foundation found that the level of young people’s participation in civic activities in twelve target communities was extremely low (less than 4 percent). Furthermore, survey data revealed that there were very few institutions offering volunteer opportunities. When youth did participate in community service projects, they did so primarily through their schools. Focus group discussions also showed that although a “culture of volunteerism” had not taken hold in these communities, youth expressed enthusiasm for and a willingness to volunteer should opportunities be provided.

These findings helped inform the design of specific service-learning projects for out-of-school, unemployed youth. It also justified the award of grants to youth to undertake small community initiatives, which made civic engagement options more visible and accessible and ensured that they had appeal to youth. In addition, the International Youth Foundation provided training to staff of youth-serving organizations on effective development and management of community engagement and volunteer programs, which helped them to better engage youth within their communities.
consumer products and services; demand for commodities, processed products, and semifinished goods by retailers, wholesalers, or processing companies; identification of local, regional, and export markets; identification of existing market players; and other factors.

- **Market stability.** Market vulnerabilities to shocks, seasonality, and changing trends; potential restrictions to market access and the movement of people and products due to conflict and insecurity.
- **Market prices.** Price volatility of end product and supplies; potential impact of additional producers on prices; inflation; transaction costs.

Market assessments are usually carried out through a combination of analyzing existing data and surveying employers or small business holders. Interviewees can provide important insights about employment prospects in particular sectors, how hiring decisions are made, the main constraints formal and informal businesses are facing, their perceptions of young people, and more. This information, in turn, can inform the diagnostic and program design (see following sections). See box 2.1 for examples of youth and market assessments.

**Box 2.1 Sample youth and market assessments**

**In-depth youth and market assessment:**


**Rapid appraisal youth assessments:**


http://www.iyfnet.org/document/1820

**Diagnosis: What Are the Determinants Influencing Youth Outcomes?**

What follows the youth and market assessments? Let’s assume we found that the young people in the country, region, or city we work in are disproportionately affected by unemployment and underemployment. Most youth ages 16–24 are neither in school nor working. Girls seem to be particularly affected. So, what should we do? What intervention can we propose?

In fact, these questions are premature. Before we think about an intervention, we need to know why these young people are unable to find work or start their own business. What prevents them from entering the labor market and making a living for themselves and their families? What constraints are they facing?

Imagine we put in place technical training courses targeting young women. The training could provide artisanal skills and computer literacy based on a model our
organization has successfully implemented elsewhere. But what if technical skills weren’t the problem to begin with? What if the real issue for these young women was a lack of knowledge about how to look for and apply for a job, combined with social constraints that discourage young women from working outside the household? If we have too little knowledge or the wrong assumptions about why young people are unable to find work, chances are our project will not address the root problem and therefore will not be successful. In such a case, monitoring and evaluation will only confirm the obvious.

Understanding Long- and Short-Term Barriers
It is crucial to understand the underlying constraints that may limit young people’s access to the labor market and to income-generating activities. Here, we conceptualize these constraints as those that probably cannot be addressed within the timeframes of most programs (long-term), and those that can (short-term).

**Long-term constraints.** Institutional and macroeconomic issues take time to address and are unlikely to be influenced by individual local projects, whose time frames are typically three to five years. Yet, long-term constraints are important to consider because they represent the larger context of our intervention. Box 2.2 presents the MILES framework, an overview of structural determinants to job creation.

**BOX 2.2** The MILES framework

| Macroeconomic and political stability. Entrepreneurs require a sound macroeconomic framework in which to expand their business and create new jobs. |
| Investment climate, institutions, and infrastructure. Firms will expand and create formal sector jobs when the costs of doing business (from regulation, heavy tax burden, and poor infrastructure) are low and predictable. |
| Labor market regulation and institutions. Sound regulations are crucial for both the employer and the worker to engage in a productive, long-term working relationship. |
| Education and skills. High productivity jobs are invariably based on good formal education and require appropriate skills for all age groups. |
| Social protection. A strong and balanced social protection scheme protects the income of workers from shocks to employment. |


**Short-term constraints.** Given that it is difficult to change most structural barriers to employment and livelihood creation, it is usually more realistic for development practitioners to focus on the constraints that can be addressed in a shorter period of time. Among those, five major categories stand out (Cunningham, Sanchez-Puerto, and Wuermli 2010):

- **Supply-side constraints:** Youth lack job skills relevant to the local market, including basic literacy and numeracy skills, technical skills, behavioral skills, or entrepreneurial skills. They may also face non-skills related constraints, including psychosocial issues, which may affect their employability (Rossiasco et al. 2010).
- **Demand-side constraints:** Employers express low demand for youth labor because of macrolevel effects, such as slow job growth, as well as microlevel effects, such as employer discrimination.

During project design for a youth employment and enterprise development program in Indonesia, a local NGO did not fully diagnose the underlying psychosocial problems and economic constraints that youth were facing as a result of a destructive past earthquake in the area. The earthquake not only took numerous lives and displaced more than 50,000 people but also destroyed livelihood facilities. Vital counseling services were not available to youth after their traumatic experiences; in fact, the need for ongoing psychosocial support was not even recognized. Although monitoring visits revealed that some job creation was successful, the program failed to meet its overall targets as youth continued to suffer from depression and struggled to adopt new technologies or take other steps that could have made their small enterprises more profitable.
• **Business creation constraints**: Constraints to youth entrepreneurship include lack of access to financial capital, land, or social networks.

• **Labor market intermediation constraints**: Young people often lack relevant and accurate information about job openings and about qualifications in demand, or they cannot adequately communicate their skills to potential employers.

• **Social constraints**: Social norms or customs may limit skills development or labor market entry for particular groups, such as girls, indigenous youth, and others.

Table 2.1 provides an overview of possible constraints. In practice, the challenge is to determine which ones are the most relevant in our local context and to prioritize them accordingly. Each subpopulation of interest will likely face a different set of constraints. For example, young women in rural Rwanda live in a low-growth economy, will lack skills, face severe employer discrimination, and be limited by gender norms, while low-income men in urban Chile may be most constrained by information about job opportunities, difficulty in communicating competencies to potential employers, and by a mismatch of technical or soft skills (Cunningham, Sanchez-Puerto, and Wuermli 2010). The short list of constraints for our specific target population needs to be identified through youth and market analyses, as described above.
<table>
<thead>
<tr>
<th>Constraint</th>
<th>Description</th>
<th>Information Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply side: Job-relevant skills and other supply-side barriers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insufficient basic skills</td>
<td>• Literacy and numeracy are the foundation of communication and further skills development processes.</td>
<td>• Skills assessments, including skills certification (e.g., PISA, TIMSS)</td>
</tr>
<tr>
<td></td>
<td>• Young people in postconflict settings may be particularly affected.</td>
<td>• Education system assessments (SABER)</td>
</tr>
<tr>
<td></td>
<td>• Skills assessments, including skills certification (e.g., PISA, TIMSS)</td>
<td>• Statistics about educational achievement</td>
</tr>
<tr>
<td></td>
<td>• Education system assessments (SABER)</td>
<td>• School curricula (what is being taught?)</td>
</tr>
<tr>
<td></td>
<td>• Statistics about educational achievement</td>
<td>• Existing employer surveys</td>
</tr>
<tr>
<td></td>
<td>• School curricula (what is being taught?)</td>
<td>• Market/sector assessments</td>
</tr>
<tr>
<td></td>
<td>• Statistics about educational achievement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• School curricula (what is being taught?)</td>
<td></td>
</tr>
<tr>
<td>Insufficient or mismatch of technical skills</td>
<td>• Trade- or job-specific skills range from manual skills to computer literacy.</td>
<td></td>
</tr>
<tr>
<td>Insufficient behavioral skills</td>
<td>• Behavioral skills—soft skills—consist of a range of qualities such as motivation, problem solving, communication, time management, and the ability to work with others.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Behavioral skills are increasingly valued by employers around the world.</td>
<td></td>
</tr>
<tr>
<td>Insufficient entrepreneurial skills</td>
<td>• The creativity to invent or adopt a new product or process and the business skills to market the idea are essential for both employees and the self-employed.</td>
<td></td>
</tr>
<tr>
<td>Barriers not related to skills</td>
<td>• Other constraints that may affect a young person’s ability to accept or look for work, such as transportation cost, child care responsibilities, etc.</td>
<td>• Youth assessment</td>
</tr>
<tr>
<td></td>
<td>• A young person’s health, especially mental health, can influence their employability. For example, depression or anxiety can affect their behavioral skills.</td>
<td>• Specialized health and mental health assessments or studies</td>
</tr>
</tbody>
</table>

*Table 2.1: Overview of short-term constraints for young people in the labor market*
<table>
<thead>
<tr>
<th>Constraint</th>
<th>Description</th>
<th>Information Sources</th>
</tr>
</thead>
</table>
| Demand side: Lack of labor demand | Slow job growth | • Too few new jobs are created (small formal sector).  
• Slow growth often results from economywide factors such as a difficult investment environment or from external shocks, such as natural disasters, war, or a sudden change in the global economy. | • GDP data (by sector)  
• Labor market statistics (including share of formal/informal economy)  
• Existing employer surveys  
• Market assessment |
| | Employer discrimination | • Employers may have prejudices against youth, believing, for example, that young people are less reliable, less trustworthy, or less skilled, than older people.  
• In addition to prejudices, hiring preferences may be made along gender, racial, ethnic, or religious lines. | • Existing employer surveys  
• Market assessment  
• Sociological studies |
| Business creation: Firm start-up constraints | Lack of access to financial, natural, and social capital | • Limitations to self-employment may include a lack of entrepreneurial skills as well as inadequate access to money, land, or business networks. | • Market assessment  
• Banking/microfinance statistics (loan products, collateral requirements, etc.)  
• Property rights |
| Intermediation: Job-search constraints | Job matching | • Youth often lack the established networks to find out about available jobs. | • Youth assessment  
• Market assessment |
| | Signaling competencies | • Youth may have the right skills, but it may be difficult to communicate these skills to potential employers (e.g., through prior experience or certificates). | • Youth assessment (regarding diplomas, certificates, etc.)  
• Market assessment |
| Social constraints | Excluded group constraints (ethnicity, gender, etc.) | • Local customs and social norms may deter certain groups of people from participating in the labor market.  
• Occupational segregation may occur along racial, ethnic, or religious lines. | • Market assessment and/or existing employer surveys (hiring preferences)  
• Human rights reports  
• Anthropological studies |

Source: Adapted from Cunningham, Sanchez-Puerto, and Wuerml (2010).
Objectives and Design: What Do We Want to Achieve and How?
In light of the specified problems, target group, and specific barriers to better economic opportunities, we can formulate program objectives and select among possible interventions. Clearly defining what we want to achieve will help us think about the end results of our program, communicate with donors and stakeholders, manage the intervention, and monitor and evaluate our work.

Setting the Project Development Objective
The first step is to define our project development objective. The project development objective represents what we want to accomplish, the intended or planned result of our intervention. Several tasks can help us develop our objective, such as clearly specifying the target group, the magnitude of the expected changes, and the time period (see figure 2.2). The more concrete the objective, the easier it will be to track progress against it.

**Figure 2.2** How to develop project objectives

Based on the specific problems and constraints identified:
1. Specify the expected result—what we expect to achieve, not what we want to do.
2. Specify the target population.
3. Specify the direction and magnitude of the expected changes.
4. Specify the time period in which expected changes will occur.
5. Make sure the objective is measurable.
6. Make sure the objective can be attributable to the intervention.

A common mistake when defining our project development objective is to focus on what we will do, instead of what we intend to achieve (see point 1 in figure 2.2). If the ultimate reason for our intervention is to improve the living conditions of young people, then that should be reflected in our project objective. The way we achieve this goal—for example by providing psychosocial support, training, seed capital, or other services—is the “how to” and not the actual objective. Box 2.3 assesses three examples of a project development objective.

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1 Organizations use various terms to label their project development objectives, such as project goal, final goal, or purpose.
Example A
1,000 Peruvian youth trained in business skills.

Example B
By 2015, double the income of 1,000 out-of-school youth aged 18-29 in Lima, Peru, by a) teaching them business skills, and b) providing them with seed money.

Example C
By 2015, reduce youth unemployment in Lima, Peru, by 10%.

Assessment

Example A
This sample objective lacks several necessary details (time period, exact target group, etc.) which make it too generic. Moreover, it does not refer to an expected result, but rather to a service that will be delivered. The fact that youth will be trained does not necessarily translate into an improvement of their situation, such as an increase in knowledge, employment status, or income. The project objective should go beyond that.

Example B
This example fulfills all the requirements for a good project objective. It is concrete and refers to a measurable improvement in the target group’s living conditions.

Example C
This objective, while specific and measurable, is impossible to attribute to our project. A single intervention of limited scope will not be able to bring about the desired high-level change, as youth unemployment will be influenced by a variety of factors.

Time period
Target population
• The expected result
• Direction and magnitude
• Measurable
• Attributable
• The “how to” (optional)
Setting Institutional Objectives

In addition to defining the project development objective, we may also be interested in defining institutional objectives. Institutional objectives are linked to our intervention, but they may not directly refer to our primary target group. For example, institutional objectives can be internal to our organization, such as learning lessons from the project in terms of design and implementation. Institutional objectives may also refer to the project environment, such as building partnerships, fostering political will, or improving stakeholder involvement. All of these are important and should be defined from the outset of the project.

Defining the Intervention

With a clear goal in mind, we can define the scope of the intervention that will lead us to achieving our stated objectives. Naturally, the choice of the program should directly result from the specific barriers identified in the previous section; that is, we should choose an intervention that explicitly addresses the underlying causes that hinder young people’s abilities and opportunities to make a decent living for themselves and their families.

Evidence-Based Programming

A crucial element in developing an intervention is reviewing the existing knowledge about various program alternatives. For example, to address business start-up constraints for young people, we may want to implement a program to promote youth enterprises. But what exactly should the intervention look like? Assume we were able to confirm that financial constraints are the major obstacle to starting a business. Should the program provide grants or loans? Should it target younger or older youth? The less or the better educated? And will financial support be enough, or should it be combined with other support services, such as training, mentoring, and business development support?

To answer these difficult questions, program managers will certainly benefit from looking at the existing evidence base. Many times, we (or the organizations we work for) tend to favor certain types of projects based on our predispositions and prior experience. Yet, in order to develop high-quality projects, it is important to consider the existing theoretical and empirical knowledge about youth livelihood programming. (The resources section at the end of this manual includes references to academic journals, databases, and past and ongoing impact evaluations). If the available evidence confirms our inclination, then we can make a strong case for a specific design. If, instead, existing knowledge points to serious limitations of an intervention, then it will save time and money to incorporate the lessons learned into the new initiative.

Table 2.2 provides examples of interventions that have a good track record based on previous impact evaluations or positive monitoring data. Building on those programs will help design better and more credible interventions. A thin or missing evidence base does not mean that a proposed intervention is doomed to failure. In fact, innovative approaches will by definition lack a track record. However, when we carry out interventions that lack a good evidence base, we should always be aware of their probationary nature and not take positive results for granted. This is where rigorous evaluation will be especially important.

[ Tip ]

The Youth Employment Inventory (www.youth-employment-inventory.org) is a one-stop source for ongoing and past youth employment interventions. The dynamic database allows browsing and filtering by type of intervention and evaluation, enabling users to search for available evidence on a specific type of project.
Given the economic, social, institutional, and administrative diversity within and across countries and the specific needs of the target group, all the interventions in Table 2.2 will not necessarily be feasible in a specific context. Assess whether the preconditions exist in the target country or labor market, and, if they don’t, whether the program design can be adjusted to make the intervention feasible (Cunningham, Sanchez-Puerta, and Wuermli 2010).

**The Link Between Program Design and Evaluation**

Finally, it is important to recognize that there are important linkages between program design and evaluation. As we have seen in note 1, one of the major roles of evaluation is to support learning and, in turn, planning. The usefulness and feasibility of the evaluation therefore very much depends on the quality of the original program design. Keep the following points in mind:

- **Evaluation does not make up for poor design.** Later evaluation does not replace early thinking. A well thought out program design based on existing research and experience is the best we can do for a successful program.
- **The evaluation strategy will depend on the knowledge gaps identified during the design stage.** Knowing the evidence base and identifying potential knowledge gaps are important factors in choosing the right evaluation strategy later on. For example, impact evaluations will be particularly valuable for innovative and untested programs that provide an opportunity to fill in global knowledge gaps.
- **The right program design can facilitate evaluation.** Some programs are easier to
evaluate than others. For example, if an impact assessment is not planned during the design stage of the program, the tools available to conduct the evaluation may be severely constrained (see note 6). In turn, choosing clear, fair, and transparent targeting criteria, such as random assignment for oversubscribed programs or eligibility scores, can significantly ease the evaluation. Thus, if there are multiple acceptable ways of delivering a particular program, it may be wise to plan ahead and choose the design that also suits the evaluation.

Key Points
1. Since the usefulness of monitoring and evaluation ultimately depends on the quality of the original project design, we must ensure high standards in the planning and design of our interventions.
2. To design quality projects, we must understand youth and the context they live in. This requires cross-sectoral youth and market assessments that capture the complexity of environmental factors that influence young people’s wellbeing and opportunities.
3. It is crucial to diagnose the underlying factors that impede young people’s access to employment and income. Without knowing what exactly limits their opportunities, it is impossible to design an intervention that addresses the relevant constraints.
4. When designing an intervention to achieve the stated project development objective, consult existing theoretical and empirical evidence to increase the likelihood of success and prevent costly mistakes.

NUSA Case Study: Reviewing the Project Design

Problem Analysis
High levels of youth unemployment and underemployment are persistent problems that appear at the top of the policy agenda for many governments in low- and middle-income countries. This is true also for the Government of Uganda, which is looking for ways to mitigate the chances of future conflict arising in the north of the country.

Diagnosis
In Africa in general, and in northern Uganda in particular, there are almost no formal sector employment options for people due to a lack of private businesses. Given the lack of employment opportunities combined with low levels of skills and barriers to starting a business, the Youth Opportunities Program decided to focus on a comprehensive entrepreneurship program that would provide vocational skills training, cash grants, and other support services.

(continued)
Objectives and Design

The Youth Opportunities Program had the following main objective. By 2010, it sought to increase employment for at least 8,000 youth aged 15–35 in Northern Uganda by promoting skills-based enterprises and building the capacity of training facilities (the desired magnitude of the employment effect was not specified).

In addition to the main objective, the program targeted a number of secondary objectives, such as improving the young people’s social interactions in their communities and decreasing the psychological distress caused by the recent conflict. More broadly, the program aimed at contributing to the overall wellbeing of youth and their households, improving health and quality of life, providing sustainable economic growth, and, as a result of these, reducing the likelihood of future conflicts arising in northern Uganda.


Key Reading


Notes

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