

REPUBLIC OF KENYA



MINISTRY OF ICT, INNOVATION AND YOUTH AFFAIRS STATE DEPARTMENT FOR YOUTH Kenya Youth Employment and Opportunities Project

TERMS OF REFERENCE

Contract Reference Number: KE-MPYG-230272-CS-INDV
Impact Evaluation Field Coordinator

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I. Summary

1. The Government of Kenya (GoK), through the Ministry of ICT Innovation and Youth Affairs (MIIYA) seeks a field supervisor (Consultant), to supervise the data collection and implementation of two impact evaluations on jobs and youth employment and routine monitoring of component 1 activities on skills training. The field supervisor would be based in Nairobi, Kenya, but with availability to travel to other counties.
2. The GoK is currently implementing the Kenya Youth Employment and Opportunities Project (KYEOP) in collaboration with the World Bank, which aims to increase employment and earnings opportunities for targeted youths by providing training, business financing and relevant labor market information. As part of this ongoing project, data will be collected, and impact evaluations will be carried out in order to analyze the impact of different interventions included under the self-employment sub-components. These studies will inform policy and the literature on entrepreneurship in developing countries. The GoK will also be carrying out routine monitoring of component 1 activities comprising of life skills training, core business skills training and job specific skill training to ensure project activities are being implemented as designed and that contracted training providers are delivering high quality training to youth beneficiaries.

II. Background and Context

3. Africa is in the midst of significant demographic and socio-economic change. Recent estimates indicate that 11 million youth will be entering the labor market in Sub-Saharan Africa each year for the coming decade. This rising number of young people in the working population represents an opportunity for faster economic growth if they can be productively employed. However, policymakers have struggled to identify solutions to support employment creation and increase the productivity and earnings of vulnerable youth.
4. In Kenya, the high numbers of new entrants to the workforce are presently outpacing the capacity of the economy to absorb them in productive employment. Between 2009 and 2013, three million youth came of working age, but the economy was able to add only 2.6 million jobs (Cirera & Perinet, 2015).
5. Thus, growth and job creation are a high priority. According to the 2016 World Bank Country Economic Memorandum (CEM 2016), Kenya's long-term growth will depend on innovation. However, low firm-level productivity of small businesses and low investment have proven to be major hurdles to growth in these sectors (CEM 2016). The literature shows that a small set of high-growth firms are typically key drivers of employment and sales growth in developing countries, while these same firms often face credit constraints and have limited access to business skills training. An assessment of Kenya's micro, small and medium enterprises indicates that smaller Kenyan firms struggle to acquire finance at the early stages

of development and though there are a number of business support programs, these are uncoordinated and do not necessarily target the highest potential firms. Kenya's 2.3 million SMEs, which contribute roughly 80% of total national employment but only 20% of GDP, should be a target of policy to both increase investment and productivity (African Development Bank et al, 2015). There is hence a public policy case to identify high-growth firms and to support their access to finance and business skills.

6. In addition to job creation in more promising firms, there is need to support young people work as self-employed and in micro and small enterprises. Labor productivity has stagnated since 2006 and employment rates are particularly low among young Kenyan women, driven mostly by lower labor force participation. According to the 2014 Kenya Skills toward Employment and Productivity (STEP) Survey, only 37 percent of women aged 20 to 24 years work in urban Kenya, compared to 60 percent of men.

7. Youth in Kenya already suffer from other constraints such as start-up financing for young entrepreneurs, managerial and entrepreneurial skills, and relevant experience. As a result, almost 80 percent of those employed and aged between 15 and 24 years have an informal job, against 70 percent or lower for the rest of the population.

8. In this context, the Government of Kenya is implementing KYEOP, financed by the World Bank, which aims to increase the employment and earning opportunities for targeted youth in the country by providing job training, entrepreneurship support and access to relevant job market information. The Project targets unemployed young men and women of 18-29 years with no more than a secondary education who are unemployed or working vulnerable jobs. For one of the interventions supported by the Project, the Business Plan Competition (Subcomponent 2.2), the age limit for direct beneficiaries (entrepreneurs receiving grants as winners of the competition) is raised to 35 years. The project is implemented in a component approach which includes; 1) improving employability 2) support for job creation, 3) improving labor market information and, 4) strengthening youth policy development and project management.

9. The KYEOP is jointly implemented by MIIYA, the Micro and Small Enterprise Authority (MSEA), the National Industrial Training Authority (NITA) and the Ministry of Labour and Social Protection (MLSP).

10. These terms of reference (ToR) relate to two sub-components of KYEOP's component 2, which are implemented jointly by MSEA and MIIYA and to KYEOP component 1, which is implemented jointly by NITA and MIIYA. The first sub-component, 2.1, which encompasses support for self-employment and microenterprises, addresses key constraints and market failures that limit entrepreneurship growth, including lack of start-up capital and financing, lack of managerial and entrepreneurial skills and limited exposure for initiating and growing a business. The second sub-component includes a business plan competition (BPC) to identify firms that are promising in terms of growth and job creation. Component 1 aims to improve employability by providing youth with life skills training, core business skills training, job specific skills training, and internships/apprenticeships.

11. The ToR is for the hiring of a Field Supervisor ("Consultant") to help supervise the data collection and implementation of interventions for the impact evaluations of the two sub-components under component 2 of KYEOP. As part of the data preparation and monitoring for the impact evaluation, the Consultant will also support data collection and cleaning for KYEOP intake and Component 1.

12. The impact evaluation is under the responsibility of MIIYA, to be carried out in close collaboration with MSEA and with the World Bank. The World Bank will be providing Technical Assistance in all steps of the impact evaluations, including with the involvement of researcher and academics. The routine monitoring of Component 1 activities is under the responsibility of MIIYA, with input and support from NITA.

III. Impact Evaluation of KYEOP Sub-Component 2.1: Support for Self-Employment

13. This study aims to identify the key constraints to entrepreneurship and whether active labor market programs and nudges can alleviate them, by focusing on the impact evaluation (IE) of the KYEOP's support

for self-employment. This subcomponent consists of: (a) grants to a group of youth-led start-ups; (b) business development services (BDS) to a second group of youth-led start-ups; and (c) grants and BDS to a third group of youth. KYEOP also includes interventions aimed to address underlying constraints to women's willingness to compete and obtain capital to grow their businesses and create new jobs. These are behavioral-based micro-interventions aimed at closing gaps in labor market outcomes of male and female youth.

14. The main IE questions include the impact of each intervention on employment and income, whether there are synergies between grants and BDS, the impact of the inclusion of nudges, and the relative impact on male versus female beneficiaries.

15. To answer these questions, the basic design is a 4-arm randomized controlled trial (RCT) studying 7,200 individuals. Individuals are randomly assigned to one of four groups: (1) a business start-up grant; (2) a BDS; (3) a grant and BDS; or (4) neither (a pure control group). In addition to this, participants in group 1 will be further randomly assigned into 3 groups: (a) age-progressed rendering of the future self to boost aspirations; (b) peer network interventions; or (c) grant alone with no behavioral component. Finally, participants in group 2 will be randomly assigned into 2 groups: (a) traditional BDS (but with succinct and focused delivery through digital means); or (b) 'rules or thumb' or heuristic training, including socioemotional skills training, in particular with personal initiative and goal setting.

16. Although the KYEOP reaches youths in all 47 counties of Kenya, interventions of sub-component 2.1 are concentrated in 17 counties.¹

17. The impact evaluation will collect four rounds of data. The surveys will be conducted: (i) at baseline, before any project activities have begun, but after the pool of eligible applicants has been identified; (ii) at least 6 months after the program has been delivered; (iii and iv) at 12 and 18 months after the program has been delivered.

18. Both household and enterprise surveys will be conducted.

IV. Impact Evaluation of KYEOP Sub-Component 2.2: Business Plan Competition

19. The aim of the second study is to assess the importance of different features of business plan competitions on business performance and employment outcomes. To examine these features, the IE focuses on a large-scale business plan competition (BPC).

20. Subcomponent 2.2 of the KYEOP includes: (a) a large-scale awareness campaign; (b) two rounds of screening; (c) the provision of technical assistance in developing a business plan; and (d) the award of either US \$9,000 or US \$36,000. In addition to analysing the impact on business performance and employment outcomes, the study will also determine whether business plan training helps candidates win the competition and the ultimate success of the businesses, whether smaller grants are as effective as larger grants, and whether grants to unscreened business are as effective. Additionally, the main impact evaluation questions include how effective is the BPC screening process at selecting firms that will provide job creation for target youth and its effect on firms' outcomes.

21. The study design, which allows the project to identify these questions, consists of an RCT with four specific interventions that will be assigned in a cross-cutting format, so that sub-treatment arms receive different combinations of each:

- a. Business plan screening;
- b. Support in preparing a business plan;

¹ A multi-step process was used to choose the counties. The decision-making process accounted for both geographical spread and need, determined by the percent of young people living in poverty.

- c. Providing 500 grants to top candidates of either \$9,000 or \$36,000;
- d. Providing 250 grants to unscreened candidates of \$9,000.

22. The IE will primarily base its results in quantitative surveys of the applicants to the program. A total of 1,750 applicants will be surveyed at baseline. Three quantitative follow-up surveys collecting data on the main outcomes of interest will allow for assessing changes for these applicants.

23. Basic observational data will be also collected from survey visits. These will include but are not limited to a yes/no dummy for if business operations were apparent, a yes/no dummy for the presence of investment capital and investment goods, information on accounting and financial management practices, and a count of the number of employees present in the business premises. This will largely be used to cross-check survey data as per self-report. This can be important given possible incentives for misreporting.

24. The proposed data collection will span a total period of 24 months, including:

- a. the baseline survey;
- b. first follow-up survey, 12 months after baseline;
- c. second follow-up survey, 18 months after baseline;
- d. third follow-up survey, 24 months after baseline.

V. Scope of Work and Tasks

25. As Field Supervisor for the Impact Evaluations, the Consultant's work will primarily consist of planning, supervision, and management of quantitative survey data collection, as well as ensuring that the RCT implementation is strictly following the RCT design, including in the implementation of the interventions. The Consultant will be responsible for ensuring that every part of the impact evaluation is carried out according to the study design and protocols. More specifically, the position will involve the following elements:

Effective Cooperation

- Provide daily coordination between the contracted firms, GoK teams, and the World Bank team, ensuring that concerns are effectively communicated between parties, flagging emerging issues that may be of potential concern to one or both parties, and ensuring that effective and productive collaboration is maintained.
 - In particular, given that the activities are implemented by MSEA, while the impact evaluation is under MIIYA, in collaboration with the World Bank, the Consultant will play a key role to make sure that all the Implementing Agencies are aware of key developments and problems with the implementation of the activities being evaluated (for MSEA's attention and action in particular) or with the implementation of the impact evaluation (for the attention of MIIYA, MSEA, and the World Bank)
- Keep thorough track of all project tasks, both ongoing and upcoming, and proactively reach out to partners as necessary to make sure that all elements are in place at the required times and in accordance with the study design.
- Ensure effective communication in particular between the evaluation team at the World Bank and the survey firm responsible for data collection. Liaise with the survey firm to manage the implementation processes throughout the different phases of the contract.

Quantitative Surveys (baseline and follow-up rounds) Design and Data Collection Management

- With the GoK and World Bank teams, prepare quantitative survey questionnaires for baseline and follow-up data collection.
- Contribute to the design of electronic data collection instruments and protocols and liaise with technical support staff for survey software as necessary.
- Run pilot survey exercises, provide feedback on field operations and survey instruments, and make and monitor improvements.

- With the survey firm, select, train, and manage the daily monitoring and supervision of the supervisors, enumerators, data entry operators and coders for data collection. For the enumerators and supervisors, training should cover both the identification and location of household/firms in the sample and best practices in administering the questionnaires.
- Supervise data entry template development, ensuring appropriate controls.
- Ensure adherence to budget throughout the fieldwork and data entry phases through close coordination with the survey firm.
- Ensure data quality through on-site supervision, spot-checks and household/enterprise re-visits.
- Conduct regular data cleaning.
- Manage corrections of data and ensure completeness of data.

Project supervision

- Help as applicable and requested by MIIYA with preparing Terms of Reference for implementation of the programs being evaluated.
- Help supervise the design of the content of the implementation strategies, communicating both with the implementers, the respective government agencies and the World Bank team.
- Coordinate the implementation of the various components of the experiments to ensure that it complies with the initial treatment assignments and overall study design.
- Supervise the implementation of the interventions.

Data management and cleaning

- Prepare and review data entry platforms as needed.
- Assist in data cleaning as needed.
- Assist in preparing datasets from various surveys for analysis.

Report Writing

- Prepare reports to the project team as needed.
- Prepare updates on activities, concerns, and decisions that need to be made.

Capacity building

- Help in building knowledge in GoK and other partners about evidence-based policy making, impact evaluations, econometrics, etc.
- Train the PCU Youth Development Officers (YDOs) on data collection and analysis, including using the World Bank supported Geo-Enabled Monitoring System (GEMS), upload of questionnaires and data, and downloading and analyzing data. The Consultant will train the PCU to supervise data collection, including in ensure that data is collected as per planned objectives.
- The Consultant will also help in capacity building by building knowledge in MIIYA and GoK on structured data collection, monitoring, use of digital tools, and basic data analysis for monitoring and evaluation.

26. To ensure that further cycles of KYEOP do not alter the IE sample, the Consultant will support data collection and analysis on KYEOP intake and Component 1. The Consultant will also provide support to MIIYA in collecting, analyzing, and utilizing data for decision making on the performance of service providers.

VI. Requirements

27. The Consultant should present the following minimum requirements:

- Master's degree in economics or a related field, including training in econometrics, microeconomics, and development economics.
- At least three (3) years of relevant experience in a recognized organization.
- Strong oral and written communication skills in English. Fluency in Swahili will be an added advantage.
- Experience in supervising surveys.
- Experience in supervising impact evaluations preferred.
- Demonstrated ability to supervise multiple teams of people and activities concurrently.
- Demonstrated interest in private sector development, youth employment and/or gender.
- Ability to work independently and as part of a team.
- Well organized, detail-oriented, and able to prioritize and manage multiple tasks simultaneously with minimal supervision.
- High level of personal and professional integrity with strong analytical skills and ability to function well in a multi-cultural environment.
- Knowledge in using STATA and SPSS.
- Knowledge in using Survey CTO or Survey Solutions, preferred.
- Work experience in Africa preferred.
- Travelling availability.

VII. Reporting requirements

28. The Consultant will be supervised by and will report administratively to MIIYA. He/she will also have functional working relationship with MSEA and NITA. He/she will cooperate in this work with the World Bank team.

VIII. Remuneration

29. Negotiable based on applicant's qualification and experience.

IX. Work station

30. Nairobi, MIIYA, and with a lot of travel to supervise data collection in the field

X. Contract type, time allocation, and application deadline

31. The Consultant will work for KYEOP for twelve (12) months with the possibility of renewal, conditional on performance, budget availability, and needs.