

# Protecting the Vulnerable:

The Design and Implementation  
of Effective Safety Nets



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# Impact Evaluation Case: Tanzania Redeployment Program

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# Redeployment Program Context

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- ◆ Between 1992-1998, government retrenched 63,000 civil service workers as part of the Civil Service Reform Program (CSRP);
- ◆ 36,000 workers were retrenched in 1992-93, another 27,000 retrenched from 1993 through mid 1998;
- ◆ All retrenchees received a lump-sum severance payment, the level depending on civil service rank and years of service.



# Program Components

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- ◆ **Counseling services:**
  - ↻ Initiated in May, 1995;
  - ↻ Intended to help with psychological consequences and make informed decisions about future training and employment options;
  - ↻ Provided through a voucher system.
- ◆ **Skills training:**
  - ↻ Initiated in August, 1995;
  - ↻ Intended to develop technical and business skills (business management, accounting, computer, agriculture, tailoring);
  - ↻ Provided through a voucher system.
- ◆ **Enterprise Development:**
  - ↻ Initiated October, 1994;
  - ↻ Intended to help retrenched develop viable small businesses;
  - ↻ Acceptance competitive – applicants screened.



# Evaluation Terms of Reference

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- ♦ Study was to assess each of the 3 program components in terms of social and economic impacts on participants and recommend changes in implementation;
- ♦ Current administrative data on all retrenched and all program participants was to be available providing addresses of individuals and services received and dates on which services received;
- ♦ Bank contracted with a local consulting firm teamed with an international firm in June, 1998. Study to be completed by September, 1998;



# Exercise Questions

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- ♦ Given the context, how would you evaluate the impacts of the program components on participants? What type of survey(s) would you develop? Which evaluation methods would you employ?
- ♦ How would you construct a sample for the evaluation? What are the main issues and obstacles to be concerned with as you develop a sample?
- ♦ Suppose you could design an evaluation to start in 1992-93 when retrenchments began. What evaluation methods might you use? What would be the main considerations in terms of information in administrative records, sample design, and evaluation methods?



# The Evaluation Design

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- ♦ Three considerations (problems) guided selection of methodology:
  - ↻ Time and budget constraints – 3 months, \$110,000;
  - ↻ Limited information on retrenchees;
  - ↻ Need to assess all three components.
- ♦ A one-time survey approach relying on individual recollections was adopted, combining quantitative and qualitative elements:
  - ↻ Survey of retrenchees (program participants and nonparticipants);
  - ↻ Survey of program administrators.



# Evaluation Findings

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# Employment and Average Earnings

	Counseling	Skills Training	Enterprise Development
Sample Size	420	464	82
Currently working	55.9%	56.9%	51.2%
Currently own a business	45.5	47.0	45.1
Current average monthly take home pay	63,974	63,770	69,074
Gain over pre-retrenchment average monthly take home pay	34,228	32,964	24,832
Share with earnings gain over pre-retrenchment period	81.9%	81.9%	73.2%



# Basic Findings

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- ♦ Most participants in all three components found services useful:
  - ↻ Counseling helped select training, and sometimes find jobs;
  - ↻ Training improved existing income potential, developed skills and helped create new projects or businesses;
  - ↻ Enterprise development helped improve existing businesses and start new businesses.
- ♦ Participants reported earnings increases over pre-retrenchment period:
  - ↻ Earnings gains highest among counseling participants;
  - ↻ Earnings highest among enterprise development participants.



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- ◆ However, when we control for a variety of factors using a regression . . .



# Regression-adjusted effects

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- ◆ Only some combinations of services had a positive effect on earnings:
  - ↻ Enterprise development by itself;
  - ↻ Training in combination with counseling.
- ◆ Employment was not significantly improved by any of the activities;



# Lessons

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- ◆ Plans for evaluation should be incorporated early into the program planning process;
- ◆ Information needs must be taken into account:
  - ↻ Administrative records;
  - ↻ Baseline and follow-up surveys.
- ◆ Evaluation should begin while the program is active, preferably at the beginning of a pilot/program or a new cycle of participants.



# Lessons (cont.)

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- ♦ Limited pilot programs should be considered before full implementation;
- ♦ Evaluation design matters!
  - ↻ Lack of baseline data hinders impact estimation;
  - ↻ Random control group ideal for determining economic impacts, well-chosen comparison group is second-best;
  - ↻ Self-assessment and recall suggest significant earnings gain while a more rigorous examination may indicate otherwise.

