

83. Proportion of people engaged in Income Generating Activities (IGA) as result of skills development training (FFT) (Engagement in Income Generation - EIG) [NEW]



VERSION	V1 – 2023.05
INDICATOR CODE	83
INDICATOR TYPE & AREA	<p>Type: Outcome corporate indicator (Positioned for the CRF)</p> <p>Reported in ACR</p> <p>4. Livelihoods</p>
INCLUDED IN CSP LOGFRAMES	Yes
APPLICABILITY	<p>Mandatory:</p> <p>Under the relevant outcome where Income generating activities (IGA) are being implemented as a result of skills development trainings (FFT).</p>
TECHNICAL OWNER	Livelihoods, Asset Creation and Resilience (PROR-L)
ACTIVITY TAGS	*Food Assistance for Training (FFT)
UNIT OF MEASUREMENT & ANALYSIS	Percentage
DEFINITION	<p>The Engagement in Income Generation (EIG) indicator measures the impact of skills development trainings on the livelihoods of participants by assessing the proportion of the total training participants who succeeded in engaging in income generation, through employment or self-employment, as a result of the skills acquired and/or enhanced through completing a skills development training.</p> <p>Skills development trainings: A training provided with the aim of building human capital for improved livelihoods. The training can be on:</p> <ul style="list-style-type: none"> • Basic skills training, such as literacy and numeracy. • Technical vocational training, such as wool processing, beekeeping, manufacturing, transport, utilities, masonry, construction, car mechanic, carpentry, electrical works, welding, commerce, finance, tailoring, beautician, information technology, journalism, plumbing, bakery, sweet production, handicrafts, mobile phone repair, etc. • Digital skills, through EMPACT¹⁸ (Empowerment in Action) • Business and entrepreneurship skills training, usually provided as a complement to the afore mentioned categories (the following list is not exhaustive) - Purchase of goods and services (online and offline); production of business-related documents/communication (emails to customers/clients, work-related reports) usually coupled with training in digital literacy and Word document; customer service (including responding to customer complaints and problem solving); organization of personal work priorities and time management; maintenance of financial records;

¹⁸ <https://innovation.wfp.org/project/empact>

4. RESILIENCE & LIVELIHOODS

promotion and marketing of products and services online and offline); information management (usually coupled with Excel or another database training but can include paper-based customer record keeping etc); budget management; risk management; recruitment; workflow management

Income Generating Activities: Any activity that participants engage in which generates a revenue. It includes any formal or informal income generating activity including micro/small enterprises set-up by programme participants (self-employment), as well as engagement in remunerated jobs (employment). The respondent participating in the data collection of this indicator should be able to show some attribution, in full or in part, that the formal or informal employment they are engaged in was fully or partly a result of supported skill development trainings.

Employment: Any person who has engaged in an activity to generate an income, received either in cash or in kind, as part of a salary or wage from an employer, for at least 30 days within six months to one year from training completion. The period of 30 days here is being used as the weight/minimum days worked for the employment to be counted, so that jobs counted under this indicator are those which provide some stability/sustainability. (NOTE: the threshold of days worked is subject to review after the testing of the indicator).

Self-Employment: Any person who during the reference period earned an income, either in cash or in kind, directly from one's own business, trade, or profession rather than as a specified salary or wages from an employer. For operational purposes, the notion of some work may be interpreted as work for at least 30 days¹⁹.

RATIONALE

The objective of skills development trainings is to strengthen the human capital of participants by equipping them with skills which they can use to generate an income, in cash or in-kind. **Income generation can help overcome food insecurity when this is underpinned by economic factors.**

The assumption is that by acquiring new skills, or enhancing the skills they already have, participants will be able to engage in activities to generate income, whether through self-employment or employment, which will help them improve their livelihoods, by meeting their needs, and ultimately becoming more food secure.

Engagement in income generating activities is an indication of improvement in livelihoods, since income, or resources in general, is one of the elements which shape the livelihood strategy of an individual or household. The composition and **the level of income, of an individual or a household**, are the most direct and measurable results of livelihood strategies²⁰. As such, **income diversification is a positive strategy to which** vulnerable populations often resort to minimize risks.

The indicator is applicable to activities where the purpose of skill development trainings is to improve participants' capacity to generate an income. Please refer to the "Definition" section of this document to see the list of applicable trainings.

DATA SOURCE

Data for this indicator can be collected using a Household Survey and is dependent on available resources and capacity at CO, tracer studies may be administered to training participants. Tracer studies are graduate survey which can be conducted within six to eight months from training completion to improve content and course delivery, improving the transition of graduates from education to the labour market, and to better match the supply and demand of skills.

DATA COLLECTION TOOL

While the information is quantitative and obtained through a survey, it may be complemented and contextualized by qualitative information obtained from the respondents themselves.

¹⁹ <https://www.oecd.org/statistics/data-collection/Population%20and%20Labour%20Force%20Definitions-Eng.pdf>

²⁰ ELLIS F. (2000). Rural livelihoods and diversity in developing countries. Chapter 1: livelihoods, diversification and agrarian change. Oxford University press.

To facilitate the data collection process, questions on EIG can be asked along with data collection questions for Post Distribution Monitoring (PDM). Tentatively, if the PDM surveys are planned to be conducted via remote tools (i.e., voice calls, SMS, etc.), the same collection methods could be applied to collect data for the EIG.

For data triangulation formal employment, employment contracts or salary records may be used as a reliable data source where possible.

SAMPLING REQUIREMENTS

The number of people to whom the survey will be administered should be a representative sample of the value of the output indicator “Number of participants who completed vocational/livelihood skills training activities (FFT)”. Country Offices should refer to the corporate sampling guidance: [Sampling for household level data collection](#) for additional guidance on developing samples for this indicator.

For additional insight on the trends and impact of skill development trainings, Country Offices are encouraged to visit the same households adopting a longitudinal approach, using complimentary qualitative enquiry, where possible, and to monitor the change in food security and nutrition of participants who engaged in skill development trainings.

INDICATOR CALCULATION

The EIG should be calculated, for each year, as the percent proportion of the number of participants who respond positively to the question on whether they engaged in an income generation activity as a result of skills development trainings (FFT) out of the total number of participants in FFT.

For example, the training programme includes 1200 participants, of which 291 are sampled applying a margin of error of 5% and confidence level of 95%. If 85 out of the 291 participants in the sample manage to engage in an income generation activity as a result of the skills acquired or enhanced during the programme, then the EIG will be equal to 29%.

- $EIG = 85/291 * 100 = 29\%$

DATA ENTRY IN COMET

Data is recorded in COMET

DISAGGREGATION FOR DATA ENTRY IN COMET (MANDATORY)

Required:

- Sex of participants
- Age group
- Disability
- Legal status (refugee, IDP, local resident)
- Residence (urban, rural, peri-urban)

Recommended:

- Banking status (Banked/unbanked)
- Job type (formal or informal)
- Job status (New: when a job held was newly created during the reporting year, or Continuing: when the job held during the reporting year was created in a previous reporting year)

Data is collected on an annual basis.

FREQUENCY OF DATA COLLECTION/

Annually

4. RESILIENCE & LIVELIHOODS

DATA ENTRY IN COMET	
BASELINE ESTABLISHMENT	<p>For a new programme, the baseline is zero for the first year.</p> <p>For programmes continuing for more than one year, the baseline should be based on the previous year's indicator value.</p>
TARGET SETTING	<p>Annual Target:</p> <p>Annual targets should be context specific. Project targets (i.e., set proportion of participants reporting they have engaged in income generation thanks to the skills acquired in the skills development training) should be set individually for each project, as the expected outcomes will largely depend on contextual factors, such as:</p> <ul style="list-style-type: none">• pre-training skills level of participants;• national employment rate;• regulatory framework for setting up new businesses;• regulatory framework on employment for certain groups of the population; and• shocks and stressors, such as conflicts, natural disasters and economic shocks. <p>An increase in the EIG value is desired over time.</p> <p>End of CSP target:</p> <p>N/A</p>
RESPONSIBLE FOR DATA COLLECTION	<p>Each Country Office is responsible for the quality of data collected. The responsibility mainly lies with the M&E Officer to collect the indicator, but analysis and interpretation of the indicator's results should be supported by livelihoods technical units in the CO. RB and HQ-based M&E and livelihoods technical teams (PROR-L) will offer support and advice on how data should be collected.</p>
INDICATORS COLLECTED & ANALYSED AT THE SAME TIME	<p>It is highly recommended that any other applicable indicators that can be collected through a cross-sectional household survey be collected at the same time, including: FCS, FCS-N, rCSI (food), ECMEN (Capacity to Meet Essential Needs), LCSI (Livelihood), as well as other qualitative and quantitative information about housing, education and health services.</p> <p>Reasons for non-engagement in income generation should always be collected at the same time as EIG, using the specific question included in the data collection tool.</p>
COMPLEMENTARY QUALITATIVE RESEARCH	<p>Qualitative data collection, such as interviews or Focus Group Discussions (FGDs), can be used for in depth understanding. To be developed after the pilot phase of the quantitative tool.</p>
DECISIONS DATA CAN INFORM	<p>The indicator is anticipated to inform programme design and implementation and provide basis/evidence for course correction by assessing:</p> <ul style="list-style-type: none">• whether the trainings effectively provided the skills• what training activities have allowed participants to generate income.• the elements which made the project non effective in transferring the skills the reasons why participants did not engage in income generation
INTERPRETATION	<p>The EIG measures the project's capacity to improve the livelihoods of participants, by assessing whether they managed to engage in income generation thanks to the skills acquired during the trainings.</p>

A higher EIG or higher proportion of participants reporting having engaged in income generation thanks to the skills acquired or enhanced through participation in training programmes is an indication of improved livelihoods and that the Skills Development activities are successful and achieving anticipated results.

Low values of the EIG are equally informative as they imply that adjustments to the design are needed. For this purpose, reasons for non-engagement in income generation should always be collected at the same time as EIG, through the specific question included in the data collection tool. They can include a range of reasons, such as lack of equipment or space, not enough time (household work and childcare), high competition, no demand in the labour market, inadequate level of skills or lack of qualification.

REPORTING EXAMPLE(S)

The data collection should be timed to feed into the ACR reporting as well as to inform the following planning period. The CO may also consider collecting data 6-8 months after the end of the training activity.

The minimum frequency for data collection is once a year. Where the CO has more than one cohort of participants, and data for both cohorts cannot be collected at the same time; a separate survey can be conducted to collect data for the other cohort.

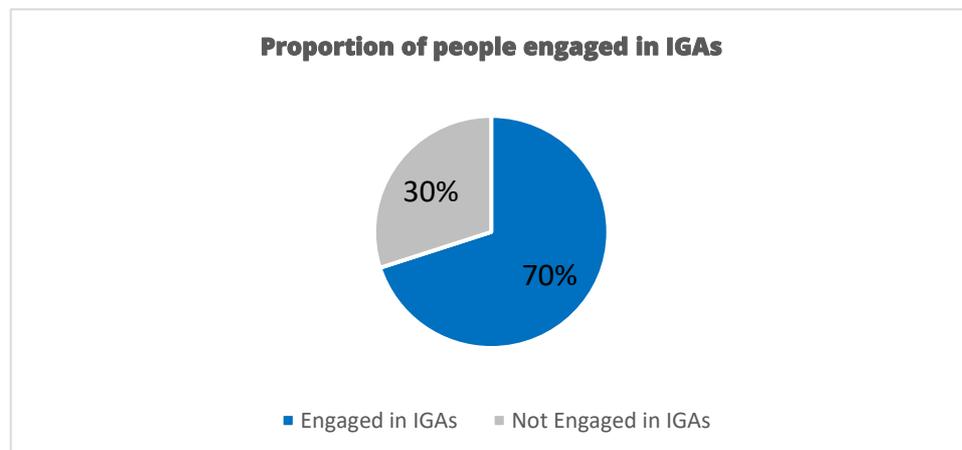
In case skills development training activities are suspended for a certain period, it is recommended to continue monitoring the EIG and other indicators relevant for long-term skills training programmes.

It is recommended to consider that to capture seasonal and sporadic income generating activities, as may be the characteristic of most informal activities, surveys may need to be designed to cover such seasons or administering surveys close together, possibly bi-annually, in order to curb respondent recall.

Visualizations should reflect the information captured. For example:

VISUALIZATION

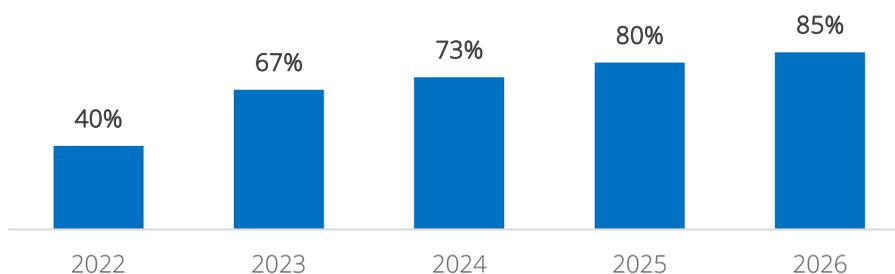
Pie charts are strong at representing a percentage of the whole, such as a single measurement.



Lines or columns can be used to display a measurement across time.

4. RESILIENCE & LIVELIHOODS

Proportion of people engaged in income generating activities by year



Columns can also be used to compare multiple categories from a single survey; for example, compare the new jobs created in that reporting year and continuing jobs from the last reporting period.

LIMITATIONS

While EIG is a good proxy to understand whether the programme is effective, low values do not necessarily imply that the issue lies in the programme design. While this can certainly be a possibility, there are other factors that come into play that determine a person's engagement in income generating activities, which are specific to each individual participant's personal circumstances or to the context.

The way the EIG measures the impact of skills training programmes is binary, i.e., engagement (yes) or lack of engagement (no) in income generation. As such, the indicator does not capture the level of income, and possible changes from the income participants were making prior to participating in the training.

This indicator focuses on the financial outcome (income) of the impact of skills development trainings but does not speak to other levels of impact such as the human capital (good health, skills) and social capital (reciprocity within the community, between households or individuals, based on the confidence formed through social links).

The indicator does not assess participants' satisfaction or feelings of accomplishment in regard to their IGA. As such, it does not capture whether participants are personally fulfilled and engaging in a job that they enjoy or take pride in.

FURTHER INFORMATION

Further information on designing and monitoring FFT activities is in the FFT PGM (coming soon) and information on result reporting can be found in [FFT ACR Technical Guidance](#).