

Initiative for Mainstreaming Innovation (IMI)
“Innovative forms of training and capacity-building in
IFAD-supported projects and programmes”

Policy and Technical Advisory Division

Ghana

FIELD STUDY



Enabling poor rural people
to overcome poverty

International Fund for Agricultural Development

Initiative for Mainstreaming Innovation (IMI)

**“Innovative forms of training and capacity-building
in IFAD supported projects and programmes”**

**IFAD Supported Training and Apprenticeship within the Rural
Enterprises Project Phase II in Ghana**

A Field Study of Training Approaches and Outcomes

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June 2011

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GHANA

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Acronyms

AfDB	African Development Bank
BAC	Business Advisory Centre
BDS	Business Development Services
CBT	Community Based Skills Training
COTVET	Council for Technical and Vocational Education and Training
DA	District Assembly
DOTI	Department of Trade and Industry
GoG	Government of Ghana
GPRS	Ghana Poverty Reduction Strategy
GRATIS	Ghana Regional Appropriate Technology Industrial Service
LBA	Local Business Association
MLGRD	Ministry of Local Government and Rural Development
MGF	Matching Grant Fund
MoTI	Ministry of Trade and Industry
MSE	Micro and Small Scale Enterprise
NBSSI	National Board for Small Scale Industries
NGO	Non-Governmental Organisations
NVTI	National Vocational Training Institute
PCMU	Project/Programme Coordination and Management Unit
PFI	Participating Financial Institution
REDF	Rural Enterprises Development Fund
REP	Rural Enterprises Programme
REPII	Rural Enterprises Project Phase II
RTF	Rural Technology Facility
SBMT	Small Business Management Training
TPSAT	Technology Promotion and Support to Apprentices Training

Background

As part of its initiative for mainstreaming innovation, the International Fund for Agricultural Development (IFAD) is exploring various types of training and skills development activities in the programmes supported by the Fund and which training results have been achieved including through innovative ways. In Ghana the IFAD supported programme Rural Enterprises Project Phase Two (REP II) has enhanced Business Development Service (BDS), and Technology Promotion and Support to Apprentice Training (TPSAT) in about 53 districts in since 2003. REP II is part of the Government of Ghana's (GoG) development programme for wealth creation and rural poverty reduction, implemented by the Ministry of Trade and Industry and funded mainly by the Government, IFAD and the African Development Bank. The main aim of REP II is to reduce rural poverty and improve the living conditions of the rural poor, particularly women and other vulnerable groups through the development of competitive rural micro and small-scale enterprises (MSEs) at the local level.

Business Advisory Centres (BACs) implemented BDS component of REP II. They are established in each participating districts and rely on partnership arrangement with the Project Coordination and Management Unit (PMCU), the District Assemblies (DAs) and National Board for Small Scale Industries (NBSSI). The BACs were established to provide business management training to micro and small-scale enterprises in the districts. They also act as facilitators, coach clients, facilitate access to training and financial institutions. Rural Technology Facilities (RTFs), established in 21 districts across Ghana are responsible for technology promotion and support to apprentice training, in partnership arrangement with the PMCU, the District Assemblies and Ghana Regional Appropriate Technology Industrial Service (GRATIS). The RTFs are to promote, test and disseminate technologies, support apprenticeship training for traditional and technical apprentices, and fabricate and service equipment adapted to rural MSEs.

With REP II approaching completion in 2011, IFAD decided to investigate, in the framework of the IMI, key factors influencing the success of its training and skills development activities under this programme in Ghana. The goal was also to identify measures that would improve training results and provide basis for future scaling-up, based on the understanding that training is one of the primary means to build the capacity of rural poor people, enable them to reach their full potential and fully contribute to and benefit from economic development.

Objectives of the study

The objective of the Ghana field study is to document the diversity of approaches of training and skills development in IFAD supported programmes. In particular, it aims to assess their relevance, effectiveness and efficiency, outcomes and challenges along the following key components:

Training approach: The study examined the main approach adopted by the TPSAT component with regard to apprenticeship, in particular the request for contribution by the client (beneficiary) who are asked to pay a commitment fee of about 20 per cent or more, and the consequences on targeting the rural poor.

Links to public policies: The study sought to identify the link between the Business Advisory Centre (BAC) training activities and public policies, and to identify possible strengths and weaknesses of self-sustained BACs regarding training issues.

Post-training support and follow-up: The study reviewed post-training support and follow-up services, their usefulness and how they are being ensured by the project.

Certification: The study examined clients' interest in trade proficiency tests offered by the National Vocational Training Institute (NVTI) and other issues relevant for scaling up at project level.

Scope and methods of the study

The field study focused on the apprenticeship training in particular the training of master craft persons who then pass on their newly acquired skills to their apprentices. A case study approach allowed for an in-depth study of a complex organizational phenomenon such as training. Participants for the study were selected from a cross-section of key stakeholders involved in REP II training activities, including clients. In all, 35 key informants¹ from the Central and Ashanti Regions of Ghana were involved in the study. Multiple sources of data collection were used including interviews (primary source), desk reviews of documents and observations. Both quantitative and qualitative analytical methods were applied to organize the data.

¹ The key-informants include clients, Heads and Mangers of BACs and RTFs, and others from District Assemblies (DAs), the Project /Programme Coordination and Management Unit (PCMU), National Board for Small Scale Industries (NBSSI), and Ghana Regional Appropriate Technology Industrial Service (GRATIS).

Findings

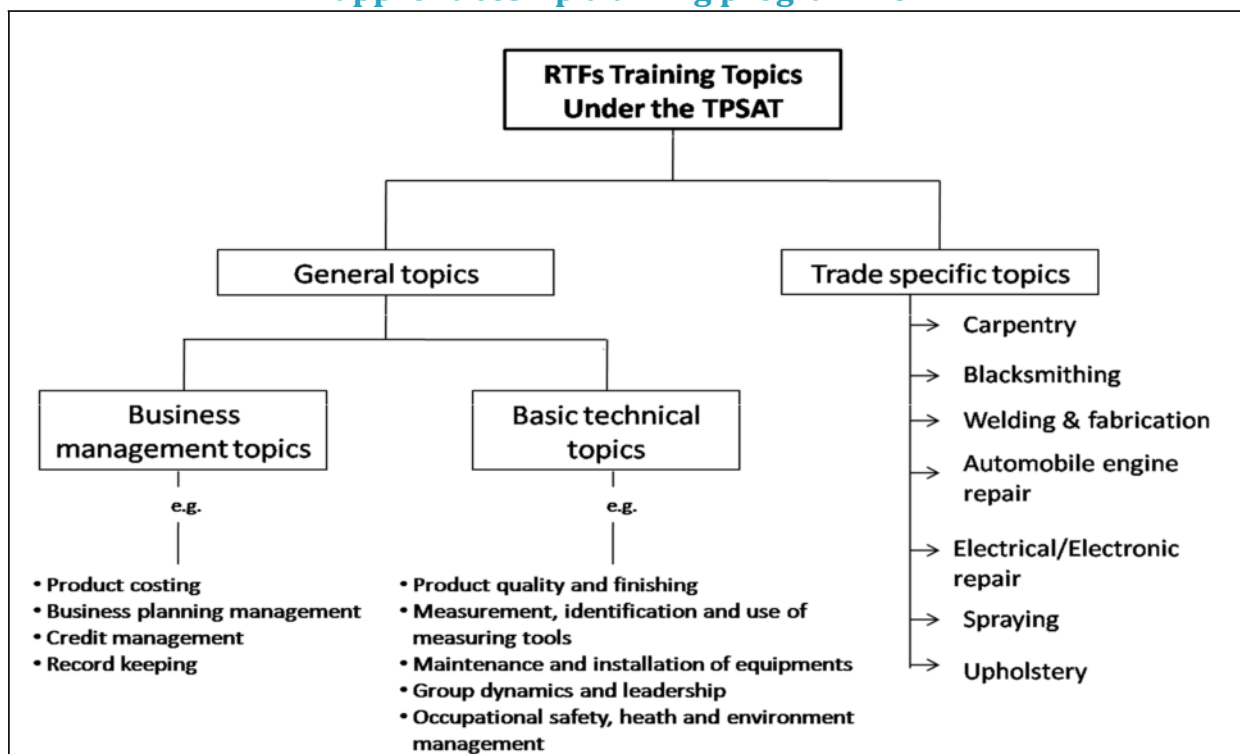
(a) Training Approaches

The training approach adopted by the RTFs, particularly with regard to apprenticeship, is discussed within the project framework of training topics, design, methods, targeting, cost-effectiveness, and clients' willingness and ability to pay commitment fees.

Training topics

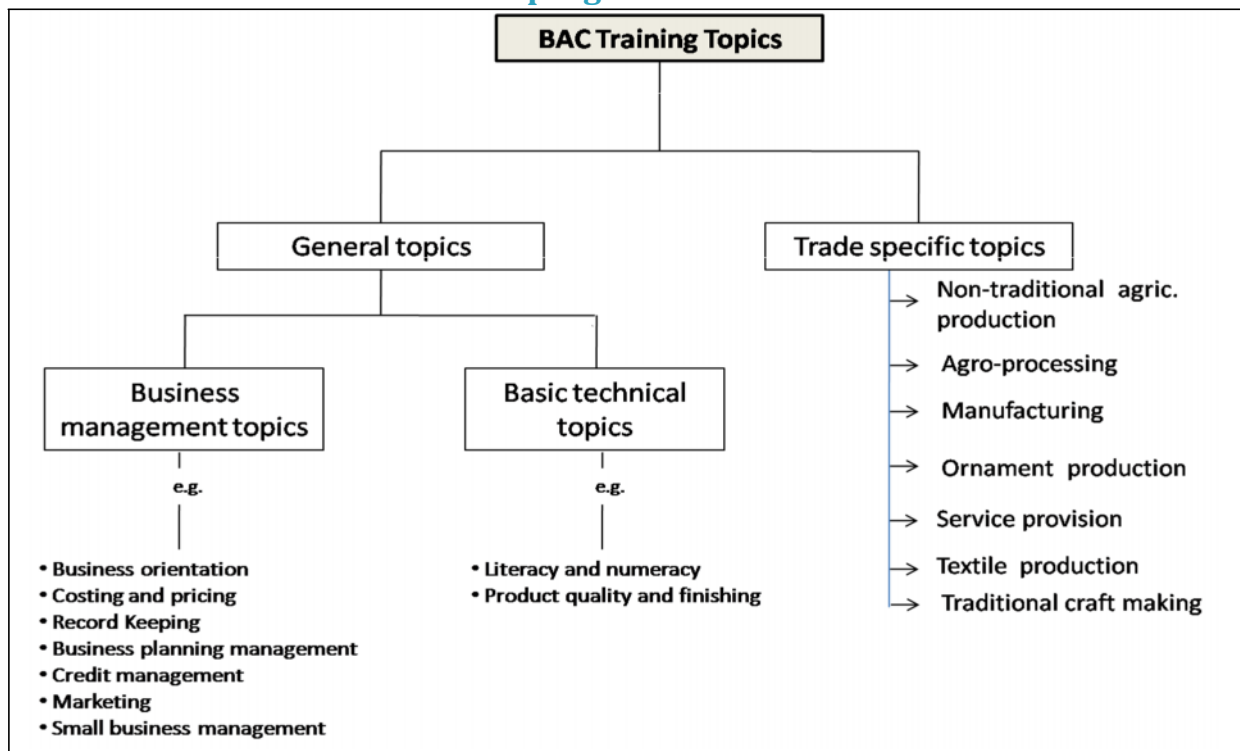
RTFs offer a wide range of training topics in the apprenticeship training programme, which can be categorized into two areas – (i) general training topics and (ii) trade specific topics (Figure 1). The general training topics provide basic knowledge needed by all clients irrespective of their trade or profession. These include business management and basic technical topics. Business management includes business planning, costing, pricing, accounting, record keeping, occupational safety and environmental management for effective and efficient work. The basic technical topics are general technical subject matter such as facility maintenance, product quality and finishing, and measurements and marking, which are generally important for all clients.

Figure 1: Typology of training topics offered by RTFs in the apprenticeship training programme



The trade specific topics address the training needs of the different trade areas (e.g. carpentry, blacksmithing, welding and fabrication, spraying upholstery) included in the apprenticeship training programme. They may vary from district to district, and change as clients' needs and technologies change. Continuous needs assessment is therefore critical to ensure that the programme responds to the trade specific training needs of clients. The study also shows that the categorization of training topics of the RTF is similar to the BACs. Along the business management topics, which drive the BACs activities, clients also receive trade specific training such as community based skill training (CBT) in non-traditional agricultural production, agro-processing, manufacturing, ornament production and service production among others (Figure 2). In addition, the study found some overlap in the training programmes at the operational level (district), especially, in the general management topics offered by the RTFs and the BACs. This is of relevance especially when the RTF and BAC serve the same group of trainees, and risk duplication of efforts and waste of resources. This calls for closer collaboration and coordination in training and technology dissemination between the RTF and BAC at the district level.

Figure 2: Typology of training topics offered by BACs in the BDS programme



Overall, the topics offered by the IFAD supported Rural Enterprises Project were rated as highly relevant to the needs of the clients, district priorities and the overall national poverty reduction agenda. Based on beneficiaries' testimonies, the training improved their knowledge and provided them with employable skills.

Training design

The study shows that the RTFs use predominantly a bottom-up approach, but with some elements of top-down measures in identifying training needs (topics) in the apprenticeship training programme. For general topics, the RTFs and BACs rely mostly on their experience with clients, and in consultation with the PCMU and service providers, suggest topics which they consider relevant for the entrepreneurial poor in their communities. It is however demand-driven to some extent since the RTFs seek the interest of potential clients backed with payment of commitment fees before a training is approved and offered under the apprenticeship training programme. This is reasonable, given that the topics are basic and necessary for anyone who is in business, or wish to start one. Similarly, the choice of trade specific topics has been predominantly bottom-up. This is based on the assumption that clients are best placed to express their specific and unique trade needs. Thus, the RTFs through a consultative process use a three-prong mechanism of identifying clients' training needs. They first meet with Local Business Associations (LBAs), then visit a cross-section of individual workshops in a district and lastly receive training requests (collective or individual) in their offices, in order to solicit their clients training needs. Notwithstanding, the RTFs introduce some trade specific training topics that clients may not be aware of. The reality is that technology is dynamic, and as such, some useful technologies may be available, but people may not be aware of them, or unable to articulate them well enough to attract the needed attention. Interaction with the beneficiaries confirms that many of them are not sure of what their training needs are. As a consequence, any training needs assessment should also be considered a negotiation process for introducing an innovation into a hitherto conservative society.

Various forms of dissemination tools inform about the training programmes. The study showed that FM radio programmes and clients' forums are means to reach out successfully to the community. The RTFs also use the three-prong mechanism described above to present training plans to potential clients and invite those interested to enrol. The enrolment is confirmed with payment of a small commitment fee by a potential client. Radio FMs announcement and clients' forums have been used mostly by BACs, but the RTFs can be financially supported to do likewise, in order to attract a mass of potential clients who are not members of LBAs. Within the socio-cultural and financial context of the project, the key informants affirmed that the training design described above has been very useful, efficient and responsive to the training needs of clients in the apprenticeship training programme. Notwithstanding, this can be an expensive

exercise in the long term, especially, in a context where participants expect some monetary rewards for attending such forums. In general, programmes that work with established LBAs are more successful than those addressing individuals. Therefore, investment in community forums should be aimed primarily at attracting entrepreneurial poor individuals who have potential to participate and use new skills, assist them into forming goal-driven groups that can work more effectively and efficiently with RTFs and BACs than unconnected individuals. This is most critical and important for newly established RTFs and BACs in the initial mobilisation of clients.

Training methods

RTFs train three categories of clients under the apprenticeship training programme: master craft persons who pass on their newly acquired skills to their apprentices; traditional apprentices who work with master craft persons; and technical apprentices who are young people without any previous employable skills and become enrolled by the RTFs for a period of three years to acquire the necessary vocational skill to set up their own workshops or seek employment in the field they have been trained in.

The RTFs organize separate training sessions for master craft persons and traditional apprentices. In each case, the RTFs use small innovative training projects to offer general and trade specific training. This involves the training of small groups of clients for a period of one to ten days, depending on the topic. In general, the general topics are dealt with over 5 days whereas the trade specific take up to 10 days. They provide both theoretical and hands-on training which could be on-site or off-site, depending on the availability of teaching aids and convenience to beneficiaries. Hands-on training of clients is important given the background and motivation of trainees, who have limited time available, low educational levels and are not academically inclined. Above all, they are seeking new skills for better living.

The RTFs enrol a maximum of 20 master crafts persons and 25 traditional apprentices for a typical trade specific training session. This number can increase up to 50 clients if the topic is general such as the small business management training (SBMT) as against the trade specific or community based skill training (CBT). The study found the number of trainees were generally effective and efficient, especially for the SBMTs but very difficult, time consuming and less effective for the trade specific topics, especially, where practical skill training was required. The experiences from the case study suggest that a maximum of 15 clients per training session may be appropriate given the resources and time available for training. Albeit, in the general view of the informants, this set of training methods has been useful in providing the necessary skill needed by clients.

Timing of training is another critical success factor in the apprenticeship training programme. The study showed that clients do not like to be away from their workshops for a whole day, or for more than 5 working days and especially over the weekend. As a

result, they will not fully attend training workshops that extend beyond these timeframes. Accordingly, the RTFs reported a drop-out rate of 10–20 per cent. To encourage client's attendance at the training workshops, the RTFs split up a 6–10-day-workshop into two 3–5-day-workshops, and implemented between 9.00 am and 2.00 pm each day. This was important to allow participants some time during the training period to attend to personal business on which their daily livelihoods depends. As such, it is very important for training programmes to have very clear and immediate reasons to justify enrolment and ensure perseverance.

External service providers implement the training of clients and include experienced self- employed individuals or representatives of institutions, including NGOs that are accredited and validated by the PCMU in a face-to-face interview. The main selection criteria for service providers include awareness of the project goal and activities; recent experience; understanding of implications and consequences of contractual engagement; qualification and job knowledge; and capacity in terms of logistics (machine/equipment/tools/staff/network) to provide a needed service. In addition, the study found that the BAC and RTF managers also provide training to clients where necessary, but without any specific remuneration on top of their regular salary. Essentially, the role of the training managers is limited to administration, in terms of enrolling clients and organizing of resources for training implementation.

The informants perceived the current system of engaging service providers to be working quite well but also identified important challenges. In some cases, it was difficult to locate suitable service providers at the local level, especially, for trade specific topics. In such cases, the PCMU facilitated the process using their centralized pool of service providers. In some cases, this caused delays and additional costs as resource persons had to be transported from one region to another. The study also found that the service providers, who usually are experienced technical people, do not always have the pedagogical skills for training delivery, including up-to-date training content knowledge and relevant context specific examples, to arouse and sustain the interest and expectations of clients. Although an evaluation is conducted at the end of each training workshops, there is a cultural reluctance in Ghana to openly point out the weaknesses of others in a formal situation, without the fear of offending them. Thus, evaluation results may not always be truthful in this context.

Currently, REP II has produced trainer guide manuals which provide instructions to BAC staff in the area of adult facilitation skills, training needs assessment, business counselling skills, supervisory and problem solving skills, coaching skills, mentoring skills, trainer of trainers' group development and management, and interpersonal skills, for the conduct of training workshops. However, this is not the case for RTF staff and service providers. Periodic orientation training backed by a general basic pedagogy manual is needed to improve effectiveness and efficiency of identified and regular

service providers in the apprenticeship training programme. The PCMU has acknowledged this limitation and initiated a move to develop appropriate manuals for their managers and service providers in the immediate future.

Targeting

A key objective of REP II has been to target the rural poor and vulnerable to improve their livelihoods through training. Unless it is held that the RTF operate in rural areas, where people are generally poor, and/or by including certain trades which would be self-targeting for the poor, the case study shows that there is very little effort in terms of strategies and indicators to identify and include the poor, who are made up of disadvantaged women, unemployed youth and graduate apprentices who lack the capital or expertise to start their own businesses. The training opportunities are open to all. Through the LBAs, clients' forums, FM radios and workshop visits, open invitation is given to any potential client (individual or group) who is interested in participate or enrol in a specific training programme. Participation is voluntary and demand-driven in the sense that it is linked to the potential clients' ability to pay a commitment fee of 10 to 20 per cent of the cost of the training. Interestingly, the beneficiaries of the apprenticeship training programme in the districts include a substantial number of women, youth and old people who are perceived as entrepreneurial poor based on the background and scale of operation. Essentially, these are poor entrepreneurs (new and old) or graduate apprentices who lack the capital or expertise to run or start their own businesses, but who are interested and committed to improving their situation and therefore are interested in training. Targeting of women was identified as a major challenge for the RTFs. For most of the trades hosted by the RTFs such as carpentry, welding, auto mechanics, electrical and electronics, the potential clients are primarily males as defined by the culture in gender division of labour. The few female clients are engaged in dress-making and hair dressing. Similarly, the BACs are engaged with more women clients than men because of trades they target, including as agro-processing, ornament production and service provision (e.g. dress-making, hair dressing), which are dominated by women. In addition, efforts are made by the RTFs to encourage participation by women – informally through personal contact and encouragement by RTF staff, and more formally by giving females preferential treatment in the hand-out of start-up kits.

Cost-effectiveness

The study shows that the RTFs spend between 45-70 per cent of their budget on training. For a typical training session and depending on the type of training (general or trade specific), transportation cost of the resource person, number of days of training,

the cost per training session may vary from GH¢357.00 to GH¢1,110.20², with costs per participant being from GH¢7.14 to GH¢55.51 (Table 1). The trade specific training topics tend to be more expensive than the general management, because they require the purchasing of training materials for the practical exercises. Analysis of the costing of various training sessions shows that the commitment fee per client ranges from GH¢1.43 to GH¢11.10, depending on the type of training topic and the number of participants. Understandably, the commitment fees are higher for the trade specific topics than the general topics. The study found that the BACs have higher cost per trainee (GH¢71.42-77.44) and consequently, higher commitment fees per client (GH¢14.30 - 15.50) than the RTFs.

Table 1: An example of typical cost elements and cost per training workshop by RTF and BAC

Input	Cost Per Training (GH¢)*			
	RTF		BAC	
	General Topic	Trade Specific	General Topic	Trade Specific
Resource person	120.00	168.00	612.00	820.00
Stationary	76.00	30.00	27.50	50.00
Training materials	100.70	204.60	533.00	591.00
Hiring of venue	68.75	178.00	125.00	100.00
Publicity/communication	50.00	200.00	113.00	-
Snack	256.00	329.60	375.00	375.00
TOTAL	670.75	1,110.20	1,785.50	1,936.00

*Source: Case study data.

In general, training costs were perceived as effective (Table 2). The impact evaluation provides a clearer understanding of perceived cost effectiveness as cost of running the programme, participation of beneficiaries, monitoring and evaluation and meeting both beneficiaries and district needs were all perceived as more than moderately effective.

² US\$ 1.00 = GH¢ 1.5406 (April 2011).

Table 2: Perceived effectiveness of the apprenticeship training programme under the REP II

Parameters	Rating		
	RTF/BAC	Clients	DA
Mobilisation and selection of clients	3.25	-	-
Delivery of training	3.50	3.50	-
Use of facilities/material resources	3.25	-	-
Use of training providers	3.50	-	-
Use of support staff	3.50	-	4.00
Cost of running the programme	3.50	-	4.00
Participation of beneficiaries	3.50	3.50	4.00
Monitoring and evaluation	3.50	3.50	3.50
Meeting client needs	3.50	4.00	4.00
Meeting needs of the District	3.50	-	4.00

Scale: 1 = Not effective; 2 = Slightly effective; 3 = Moderately effective; 4 = Very effective

The number of potential clients is expected to grow because of the need to scale-up. IFAD will eventually withdraw its support as local and national Government develop sufficient organizational capacity to support rural MSEs. Therefore, the issue of cost sharing requires consideration for financial sustainability. The stakeholders including clients were affirmative that beneficiaries of BAC and RTF training interventions should pay commitment fees to supplement the cost of training. The study showed that the payment of commitment fee by clients has several advantages. It ensures clients' ownership of the training programme, increases commitment and motivation and empowers clients to demand accountability from the training providers. It also makes it easier for the BACs and RTFs to budget and plan their training programmes.

Interestingly, the clients interviewed in the study were willing to pay commitment fees of up to 30 per cent of total cost of training. But of course, these were clients, who had already benefited from RTF/BAC training and might be receiving some economic impact, and therefore, willing to commit more resources to it. Currently, an apprentice in the RTF training programme pays 10 per cent, while a master craft person pays 20 per cent of the total training cost. Clients who participate in the BAC training programme pay 20 per cent of total training cost. To encourage enrolment, RTFs and BACs have informally evolved a practice where they use part of their training budget, especially the allocation for snacks and refreshments to subsidize the commitment fees of participants to their training programmes. This practice is questionable, as it has serious implication for training effectiveness and eventual sustainability of REP training, especially if refreshments are considered important enough to be included in a training budget. The fact is that no one will want to part with money, and it may seem convenient for clients to sacrifice their snack in place of commitment fees to have a training 'free of charge'. This is a practice that development practitioners should be concerned about as it can

affect training effectiveness and sustainability when donor funding for training is withdrawn.

The economic status and thus the ability of clients to pay commitment fee are not homogeneous. They vary from unemployed people who cannot find alternatives for training and employment, to those who just start-up their Micro and Small-scale Enterprises (MSEs) within the first 12 months of operation, to those with rapidly growing businesses with regular sales or customers from outside the district. Thus, the proportion of subsidy and certainly commitment fee could in principle vary from group to group, and, for particular groups, be re-adjusted from time to time as the situations of clients change. The general view is that for REP training programmes, the determination of commitment fee should take into consideration the employment status and level of MSE growth³. Thus, the unemployed, clients at a start-up level of business growth, and new districts to REP should pay relatively lower than their counterparts.

(b) Links with Public Policies

Ghana's Poverty Reduction Strategy I and II (GPRS I & II) has a strong national focus on poverty reduction through investment in rural areas. This is consistent with REP's objective of using training as a primary means of building the capacity of poor people to participate and fully benefit from economic development. Given this focus by the Government at national, regional and local levels, REP is supposed to provide a major national programme for rural MSEs' promotion, job creation and poverty reduction in the participating districts. As already discussed, training under REP II has contributed to employment creation and expansion, primarily for the youth and entrepreneurial poor in the society. With policy support from The Ministries of Trade and Industry (MOTI) and Local Government and Rural Development (MLGRD) at the national level, key implementing agencies such as NBSSI and GRATIS at national and regional levels have supported micro-enterprise activities. This has been achieved through local organizations including BACs and RTFs, MSE sub-committees, and the Department of Trade and Industry, who support LBAs and MSE development interventions in the project districts.

Informants from the DAs, NBSSI and GRATIS affirm the important link that exist between REP's training and skills development programmes, and national, regional and

³ PCMU classification: "start-up" – within the first 12 months of operation; "survival" - meets at least two criteria of: in business for more than one year, owns basic tools or equipment for the trade or earns income to meet the operator's basic needs. "Normal growth" - at least three of these criteria: annual sales growing >10 per cent a year uses electrical machinery or equipment, at least one paid worker or has a bank account. "Rapid growth" meet at least four of: annual sales growing >20 per cent a year, regular sales or customers from outside the district, uses electrical machinery or equipment, has at least five workers, at least one of them paid on regular basis and not an apprentice or family member, has received a loan from a financial institution.

local policies and needs. REP training and skills development interventions were described as vehicles for decentralizing the Government strategy for sustainable private sector business development. The DAs and the Government have demonstrated their commitment to the BACs and RTFs through key initiatives including provision of land; office accommodation and utilities for their operation; payment of salaries of some staff (e.g. administrative assistants and technicians by DAs, and managers, supervisors and drivers by GRATIS and NBSSI); monitoring and provision of technical backstopping through the GRATIS and NBSSI; and supporting their recurrent budget in aspects including counterpart funding, monitoring of operations, and maintenance of facilities, which are all necessary for creating a conducive conditions for training.

The field study shows that the relationship between the project and policy support is not without challenges. Currently, REP activities have not been fully integrated into the District Assembly structure with a specific budget line. Thus, the payment of BAC/RTF staff is dependent on internally generated funds (IGF), and at the discretion and commitment of district authorities. As such, there were reports of unduly delayed salary payment and release of counterpart and recurrent budget funding, which invariably, affected training programmes of the RTFs and BACs. Furthermore, there is weak relationship between REP supported BACs and RTFs at the districts, and GRATIS and NBSSI at the regional level in terms of communication, and loyalty. The study found that BACs and RTFs loyalty tend to gravitate more towards REP (Zonal and PCMU) where they receive training funds, and the DAs depending on the leadership (Chief Executive) commitment, than GRATIS and NBSSI who are expected to supervise and provide technical backstopping. This, imperceptibly, has created a level of indifference by the GRATIS, NBSSI and some DA officials towards REP.

The study also attempted to identify possible strengths and weaknesses of self-sustained BACs regarding training issues. Unlike REP supported BACs, which have the financial support to organize several training programme, self-sustained BACs have provided limited number of training at the districts due to unreliable and limited funding from Government. Unlike REP supported BACs, where the staff has higher exposure to new learning experiences through regular training workshops, monitoring and supervision and thus is more informed, the personnel of self-sustained BACs seemed less knowledgeable about current business development issues. Nonetheless, the study found a higher level of flexibility and innovation regarding training programmes by self-sustained BACs. Although they offer limited training workshops to clients, they seemed not to be influenced directly or indirectly by a set of training topics, but rather respond directly to the training needs of their clients, based on a location specific needs assessment. Interestingly, REP supported BACs, either by design or need-based consideration, seemed to be treating similar set of training topics across the districts. This is evident in the quarterly and annual reports on training programmes of the BACs across the districts in the study regions.

(c) Post-training support and follow-up

The RTFs and BACs provide critical post-training support to their clients. This takes four main forms: post-training follow-up for counselling; provision of start-up kits; facilitating access to credit for beneficiaries; and facilitating certification. Three months after a training workshop, service providers undertake a follow-up exercise to assess the effect of their training, and offer counselling or remedial support to those who need it. This is supported by regular visits by staff of the RTFs and BACs, who also give counselling and technical support. A review of PCMU documents indicates that a substantial number of clients (25,332) had been counselled with women representing about 60 per cent (Table 3)⁴.

Although limited in scale, the provision of start-up kits for graduate apprentices is making considerable impact in the district and is serving as a booster to motivating the entrepreneurial poor to avail themselves to skill enhancement. The districts receive about 60 start-up kits each year for selected apprentices based on pre-determined criteria including the type of kit available, sex, level of needs (disadvantaged person) and geographic location. The RTFs deliver the kits to qualified graduate apprentices in consultation with the District Assembly (DA). A review of PCMU documents shows that by the end of December, 2010, a total of 3,182 apprentices had received start-up kits with women constituting about 42 per cent of the beneficiaries. It is important to note that the start-up kits tend to favour trade areas dominated by men. Thus, the 42 per cent allocation to women is a major targeting effort in ensuring equity in service provision in REP II. An empirical evaluation has not yet been conducted to assess the performance of those who received the start-up kits. Albeit, the informants in the study perceived that about 90 per cent of the recipients have started their own businesses and are at different levels of growth.

The facilitation of credit support is the least developed area of REP post-training support service to clients. Only 29 per cent of the 15,000 MSE operators targeted for assistance with Rural Enterprise Development Fund (REDF) loans received credit support by the end of 2010, with about 70 per cent of them being women. Within the same period, few received non- REDF (219) and Matching Grant Fund, MGF (77) loans through the assistance of REP (Table 3). The credit schemes are demand driven which means that the client must have a need for it and demonstrate ability to repay. As such, the bias of credit beneficiaries toward women (69.6 per cent) as reported by REP is expected, given that women tend to be the most deprived and resource poor in the Ghana, and represent the majority of those assessing the services of REP especially through the BACs. Notwithstanding, to effectively assist clients to have access to credit under this scheme, three things are important: clients' capacity to demand and use credit; clients'

⁴ December, 2010

awareness and ability to access credit; and post-credit counselling support for effective management of credit facility.

Table 3: Counseling and financial services output of the REP II activities, 2003 -2010

Activities	Appraisal Target (No. of Clients)	Actual Cumulative 2003 - Dec 2010			Percentage Achieved
		Gender Distribution			
		Male	Female	Total	
<i>Counseling Services</i>					
No. of client counseled	-	10,040	15,292	25,332	
<i>Rural Financial Services</i>					
No. of MSE operators receiving REDF Loans	15,000	1,320	3,047	4,367	29%
No. of MSE operators receiving non-REDF loans	-	50	169	219	-
No. of MSE operators receiving MGF loans	-	50	27	77	-
Total – Credit Beneficiaries		1,420	3,243	4,663	-

Source: PCMU last quarter, 2010 report on project implementation.

The study indicates that the BACs and RTFs are providing the necessary skills and management training to build the capacities of clients for trade expansion and establishment of new ones. This is perceived to have improved clients' capacity to demand and use credit. However, there is little done on awareness creation and pre- and post-credit facility support for clients. Interaction with a cross-section of beneficiaries revealed that many clients were not aware of a loan facility and/or what they can do access it. There is very little post-credit counselling service for effective use of credit by the few beneficiaries of the facility. However, REP is making efforts to address the deficiencies. Currently, REP has developed loan application forms in collaboration with participating financial institutions, which they use to gather vital information on potential clients as input for the banks to do quick assessment of clients' loan requests. This, according to the key informants, is a major innovation contributing to improvement in clients' access to credit – it helps to shorten most of the bureaucratic processes and bottlenecks in the processing of loans, and to a far extent, add some credibility and goodwill to clients' requests.

As in the case of start-up kits, no empirical evaluation has been conducted yet to assess the performance of those who have received credit support since 2005 when the facility actually became operational under REP II. According to perceptions of key informants, the loan recovery rate (80-90 per cent). There is a growing demand for loans, more than

the participating financial institutions can currently accommodate within the existing REP credit support scheme

(d) Certification

The study found a high demand for certification by beneficiaries, but interestingly REP does not award certificates to graduates of its training programmes only facilitates some aspects through the RTFs. With support from REP, these support interested graduate clients to register with the NVTI for certification examination (by paying part of the registration fees), coach them on the requirements of the examination, and provide the necessary materials and environment for the examination. Apprenticeship certification approach is highly relevant for several reasons. According to the informants, the certificates serve as evidence of successful completion of a training programme – a motivating factor; represent a support document for job seekers especially for unemployed apprentices, for those seeking business contracts from organizations or the DAs.

A review of REP II reports shows that the number of clients who received NVTI certificate with assistance from REP, far exceeded their estimated target of 2,190 clients (Table 4). A total of 5,860 clients were assisted to take the certification examination which represents an increase of 168 per cent. This over subscription by clients confirms the currently high demand for certification by beneficiaries for the different reasons already highlighted. This is actually a good development for ensuring consumer protection in terms of standard and quality from SMEs. As such, it is in line with the policy of the Government of Ghana, through the Council for Technical and Vocational Education and Training (COTVET), and in collaboration with Codex Alimentarius Commission, an international intergovernmental body, to certify SME operators and harmonize product regulation and standards, especially in the food industry.

**Table 4: REP supported graduate apprentices NVTI certification
2003 – 2010**

Gender	No. of Clients	Percent
Male	2,517	43%
Female	3,343	57%
Total	5,860	100%

Appraisal target : 2,190; Percentage achieved: 268

Source: PCMU last quarter, 2010 report on project implementation

Besides the NVTI certification, the RTFs are also collaborating with recognised service providers to issue certificate of participation to interested clients who successfully complete specific training topics they offer them. Not surprisingly, clients are willing to pay for the cost of the certificates.

(e) Training outcomes

An analysis of the training output of the PCMU, shows that the RTFs have trained a reasonable number of master craft persons (69 per cent of REP II targeted 5,000 clients) and traditional apprentices (46 per cent of the targeted 6,000 clients), through the TPSAT programme (Table 5). The BACs had also trained about 87 per cent of their target of 1,247 clients.

**Table 5: Training output of the REP II TPSAT and BDS programme
2003 -2010**

Training Activities	Appraisal Target (No. of Clients)	Actual Cumulative 2003 - Dec 2010			Percentage Achieved
		Gender Distribution			
		Male	Female	Total	
<i>TPSAT Activities</i>					
Master craft persons Training	5,000	3,131	329	3,460	69%
Training for Apprentices	6000	1,734	1,013	2,747	46%
<i>BDS Activities</i>					
Community Based Training	1,247	9,765	20,826	30,591	87%

Source: PCMU last quarter, 2010 report on project implementation.

Beneficiaries interviewed indicated that the training received was effective particularly in relation to mobilisation and selection of clients, delivery of training, use of facilities/material resources, use of training providers and support staff, cost of training, clients' participation, and training monitoring and evaluation (See Table 2). Specifically, clients indicated that their knowledge and skills have improved and they felt that they were more productive. The case study found a reasonable adoption of training recommendations and a corresponding increase in production, sale and expansion in businesses (Table 6).

**Table 6: Outcomes of project intervention by a case District
Sept. 2003 – March 2011**

Outcome Indicators	Males	Females	Total
Adopting new technologies	224	128	352
New business established	79	111	190
New jobs created	55	72	127
Recording increased production	50	96	146
Recording increased sales	39	37	76
Operating active bank accounts	149	165	314
Keeping business records	42	70	112
Total	638	679	

Source: Case study data.

In general, the reports present a positive impression of the BAC and RTF training in Ghana as contributing to empower people especially women, and creating new businesses (Figure 3 & 4).

Figure 3: Clients exhibiting their products after a practical training workshop in baking (left) and liquid soap making (right)



Figure 4: A Client (recipient of a start-up kit) with a newly established dress-making business



Conclusions

This study of IFAD supported training and apprenticeship within REP II in Ghana has shown the following:

1. REP uses predominantly a bottom-up approach, combined with elements of strategic leadership through measures in identifying training needs (topics) in the apprenticeship training programme.
2. REP in general and RTFs in particular, offer a wide range of short innovative management and technical training courses, which are largely need-based and demand-driven.
3. There has been some duplication of training programmes, especially in the general management courses by the BACs and the RTFs and RTFs should provide specific courses adapted to the different industries/trades.
4. Beneficiaries are willing to pay higher commitment fees for training if they understand its implication for sustainability, have topics that are relevant to their needs, and develop very practical skills that have immediate use.
5. There is a strong link between REP (RTF and BAC) training activities and public policies especially on the strategic goal of poverty reduction through capacity building of MSEs for job creation. However, there is still much to be done in terms of structures and systems for proper integration and confidence building among the implementing agencies for efficiency, effectiveness and sustainability of training programmes.
6. The post-training support and follow-up are appreciated by stakeholders including beneficiaries to be satisfactory although no empirical study has been conducted for confirmation, especially, in the provision of start-up kits and credit support.
7. There is high interest by clients for certification for various reasons, which have implications for motivation for further training and attracting potential clients for training.
8. Overall, the training programme under REP II is relevant, and stakeholders including beneficiaries have found it quite effective, efficient, and beneficial to their livelihoods.

Lessons

The following lessons can be drawn from this case study:

1. In training programme design, well negotiated training needs assessment with prospective clients, in collaboration with other stakeholders including local authorities

for policy and resource backing is critical for success. As such, the issue of bottom-up approach to training needs assessment is important, but not an end in itself.

2. Presenting MSE operators with a wide range of need-based and demand-driven short innovative management and technical training courses is critical for MSE capacity building and growth.
3. Training for MSE operators is more useful and trainees become more committed if it is organized in a way that allows them to have adequate time within the period to attend to their business upon which their daily livelihoods depend.
4. MSE operators will be more willing to commit their resources (e.g. payment of training commitment fees) to an intervention, if it is relevant to their needs, provide more practical skills, has immediate use, and beneficiaries understand the opportunity cost.
5. Collaborations, coordination and networking of key stakeholders at all levels (national, regional and local), beyond the stakeholder workshops, are important for strengthening communication, reducing bureaucratic bottlenecks and duplication of effort, and helping to clarify roles for efficiency and effectiveness in MSE development on sustainable basis.

Recommendations

The findings suggest that to ensure effectiveness and efficiency to improve training results, the key stakeholders in the REP II should all collaborate to support the RTFs and BACs to:

1. Continue to meet LBAs, visit a cross-section of individual workshops and invite training request through their offices to solicit their clients training needs. But, for newly established RTFs/BACs, FM radios and clients' forums can be added as an initial mobilisation measure, primarily to attract potential entrepreneurial poor individuals into forming goal-driven groups.
2. Systematically review training needs and continually adapt training programmes to meet clients' needs.
3. Have closer collaboration and coordination in the planning of their TPSAT and BDS programmes to avoid duplication of training efforts to improve efficiency.
4. Adopt small innovative training projects that offer more skill/practical training relevant to the needs of clients.

5. Review the number of participants per training workshop and provide adequate material resources including audio visual equipment for effective interaction and practical work.
6. Ensure training schedules are flexible, such that training workshops extending from 6 to 10 days can be separated into two 3-5 day workshops, and implemented between 9.00 am and 2.00 pm each day, to allow participants some time during the training period to attend to their businesses.
7. Develop practical strategies to identify the various levels of poverty in the community to avoid the risk of elite capture and self-exclusion which is possible with the current "open to all" practice, in order to vary the training commitment fee from group to group and time to time as the situations of clients change to ensure that the poor are not left out.
8. Identify potential local service providers from their experienced beneficiaries and strengthen their capacity to provide training services. This can be more cost effective and efficient to manage in the long run.
9. Provide adequate training to managers and technical supervisors of RTFs and BACs to have the capacity to do environmental scanning and basic research, provide orientation to service providers, monitor training effectiveness and where necessary offer some training to clients.
10. Collaborate with the PCMU to train their regular service providers in pedagogical skills, and development and use of instructional materials.
11. Provide intensive awareness, support and coordination in rural finance activities to achieve the project objective of assisting MSEs that need financial assistance to grow.
12. Gradually increase training commitment fees, taking into consideration clients' employment status and level of MSE growth, their understanding of programme sustainability, and ensuring that they have very clear, concrete and immediate reasons to justify their enrolment.
13. Develop a more integrate and efficient system for training and apprenticeship by strengthening communication, reducing bureaucratic bottlenecks and clarifying roles among REP, BACs, RTFs, DAs, GRATIS, NBSSI and their respective ministries.
14. Develop a modular system where for a particular trade, there is a set of topics (basic and technical) that clients can take to qualify for a certificate from the RTF backed by the DA. Furthermore, other accredited service providers can be encouraged and supported to also award certificate of participation.

Some Reports Reviewed

1. BAC and RTF Quarterly Reports (Case study BACs and RTFs) 2006 – 2011
2. Republic of Ghana, Growth and Poverty Reduction Strategy (GPRS II), 2006 - 2009
3. IFAD, Ghana: Rural Enterprises Project, Phase II, Appraisal Report, 2011.
4. Mid-Term Review of Rural Enterprises Project, June 2008.
5. PCMU, Self-Assessment Report for Interim Evaluation, June 2010.
6. REP II, Report on Project Implementation for Last Quarter (December) 2011.

