

Executive Summary of Evaluation

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Background

The African Schools Kenya (ASK) Program is an initiative of the International Finance Corporation (IFC), through the Private Enterprise Partnerships for Africa (PEP Africa) Program. The program provides advisory services to private schools to improve school operations and the quality of education. This program was launched following the successful implementation of the pilot program in Ghana, and was later introduced in Rwanda, Uganda and Liberia.

The overarching aim of the ASK program is to complement the Government's efforts to improve access to quality education in Kenya through supporting the improvement of the infrastructure and quality of the private school sector. Specifically, the program sought to:

- (i) Increase access to finance for 50 schools in the amount of USD 3 million by 30 June 2012.
- (ii) Reach 75, 000 students enrolled in the target schools by 30 June 2012.
- (iii) Deliver in-depth advisory services in systems and tools development to 50 schools by 30 June 2012.
- (iii) Deliver advisory services through workshops and training to 500 schools by 30 June 2012.

In December 2006, IFC signed a risk sharing agreement with a local commercial bank (the Bank) to extend credit to 100 private schools over a period of three years. In parallel to this investment component, a comprehensive Advisory Services Program was designed to deliver school-level Business Development Services (BDS). These services included:

- i. Whole school improvement training workshops (including areas such as Curriculum and Learning Management, Finance and Accounting, Human Resource Management and School Marketing), which at a later stage incorporated Business Edge training methodology.
- ii. In-school support for school diagnostics and business plan development.
- iii. In-school support for preparing financial statements and records.

Through these services the program sought to improve participating schools' financial and other functional management capabilities (in turn enabling them to access finance through the risk-sharing agreement with the Bank) and their ability to deliver quality educational services. The program also

aimed to strengthen the Bank's ability to evaluate and monitor loans to schools through organizational support to the bank, and to develop independent providers of educational consultancy services to private schools to enable continued support to private schools beyond the lifetime of the program.

The program was initially designed for a period of three years from 2007 to 2010, but was extended for a further two years in order to expand the reach and enhance the impacts of the program. By the time of the evaluation 2691 private school staff in over 718 private schools across the country (especially in Nairobi, Mombasa, Machakos, Nyeri, Nakuru, Kericho, Kisii, Bomet, Kisumu, Kakamega and Eldoret), had benefited from the program's training workshops, and 202 schools had been assisted with the preparation of Business Plans, out of which 61 schools had accessed financing from the Bank and other banks, amounting to USD 2.9 million.

Objectives

This report presents the findings of the end-of-program evaluation of the ASK Program, commissioned by the IFC. The evaluation was undertaken to provide the Private Enterprise Partnership (PEP) for Africa Management with an assessment of the design and implementation of the ASK Program business model, the progress towards the intended outputs, outcomes and impacts, and lessons on the role of development agencies and donors in supporting the development of private schools.

As per the Terms of Reference (ToR) the evaluation specifically looked at the following issues in relation to the Africa Schools Kenya Program:

- Relevance of the program to the needs and priorities of private schools in Kenya and the policies of the Kenyan Government and related donors;
- Efficiency of the program in achieving its results;
- Effectiveness in the extent to which the objectives the program have been reached;
- Impact of the program, both positive and negative, intended and unintended;
- Sustainability of the program in ensuring the continuation of its positive benefits beyond the program period; and
- Alternatives/improvements to the program that could have produced similar or better results, outcomes and timeliness more cost-effectively or efficiently.

Analysis

Evaluation Findings

Relevance

The program is relevant to the needs of the education sector in Kenya in supporting the private school sector to contribute to the Government's aims on education for all and quality education. It is in line with IFC's strategic objectives to address the constraints of private sector growth and develop local financial markets in education. Market surveys in 2006 and 2009 confirmed a need for support to private schools, particularly around business and finance, and helped to inform the design of the ASK program advisory services. The training workshops provided by the program were rated very relevant to schools' needs by 60% of respondent schools, and 97% rated the relevance of in-school support as excellent or good. There is a clear demand for more support in these areas.

The program adapted and down-scaled the focus on investment as it recognized the challenges facing schools, particularly low income schools, and realized the extent to which capacity development was needed before they could approach banks for finance. The Bank was the only bank trained on understanding the private education sector, but this knowledge was lost due to staff turnover. The Bank agreement was frozen in 2008 and remained so for the rest of the program due to non-compliance with the agreement; no agreements with other banks were established.

The logic framework that underpins the ASK program is based on standardized IFC indicators, allowing for the aggregation of results for IFC across countries and programs. It therefore does not link to the specific objectives or activities of the program. A tool containing program specific SMART indicators (specific, measurable, attainable, relevant and timely) could have provide a firmer basis both for the program and monitoring progress at program level, feeding into standardized IFC monitoring and evaluation frameworks.

Efficiency and accountability

There were a number of adaptations and additions to the program in response to changes in the context, issues with the partner bank, and schools' requests and needs, demonstrating the flexibility and responsiveness of the program. However, the changes to the advisory services were somewhat reactive and ad hoc and some could have been avoided with more rigorous analysis of, and response to, needs and capacities of stakeholders identified at the start of the program.

There was one program manager for the ASK program, whose role was expanded to coordinate all Africa Schools programs. This limited the management capacity available to the ASK program. However, experienced implementing consultancies were contracted to deliver services. They had existing relationships with the private schools associations, and the Kenya Private Schools Association (KPSA) and the Kenya Independent Schools Association (KISA) were engaged in the program to varying extents.

ASK activities aligned with the IFC's Pricing Guidelines by requiring client contributions for services: 70% of school respondents reported that the cost was reasonable for the services provided. A robust efficiency analysis of the program is not possible due to the lack of data available from schools and the program over the program period, but based purely on the value of loans facilitated through the program loans totaling a value of USD2.9 million were secured. Successful loan applications were reported by the Bank and the schools, training quality was monitored through feedback forms, and follow-up phone calls and questionnaires were used to gather outcome data. Measuring outcomes has been challenging, but has improved over time and with further support from the IFC monitoring and evaluation team.

Effectiveness

A total of 718 private schools benefited from the ASK program, of which 61 received loans. Services were found to be of high quality: over 95% of participants rated consultants' knowledge as excellent or good, and workshops received high satisfaction ratings according to consultant reports. Overall services were found to be participatory, though this varied particularly for the in-school support. The evaluation found 70% of schools reported participation in the program had resulted in better organizational and financial systems for the school, and in receiving a bank loan for 19 respondent schools. There is a lack of confidence amongst schools in accessing finance, with 78% stating they would need 'some' or

‘substantial’ further support to do so. Communication with schools and implementing partners has been sufficient, though schools’ expectations might have been better managed: many schools had expected to receive direct funding from the IFC, which was never an intended part of the project design. Recording and sharing knowledge has been limited to a handful of publications and workshops.

Some of the program targets have been met according to the logic model, but there are also questions around the applicability of these targets to the program activities and problems in the systematic collection of data on outcomes during implementation.

Impact

Though a strategy for impact evaluation was designed and a comprehensive baseline was conducted, the impact assessment was later dropped from the program and tracking and monitoring of treatment and control samples was not carried out. Impact findings are, therefore, qualitative, reliant on the perceptions and self-reporting of schools.

Case studies made the link from program participation to improved education quality and increased revenues. School respondents to the questionnaire also reported impacts, particularly of school staff working together better as a team (82%), better teaching and learning in the classroom (82%) and teachers being more involved in school management (81%). Impacts were slightly higher for respondents that received in-school support as well as workshops: the low income schools that were reached by the program report greater impact across the range of possible areas.

Awareness of the schools market has increased amongst non-program banks.

Sustainability

Sustainability has been an important focus for the program. The program has produced school operating manuals, contracted local consultants for delivering workshops and built their capacity to deliver such services independently after the program finishes, and engaged private schools’ associations. Recognition of the program and its value is fairly strong amongst stakeholders, and KPSA has shown an interest in continuing to support or facilitate the advisory services but lacks resources. Recent workshops have been held with stakeholders to discuss the continuation of the program, with Housing Finance eager to take the program forward.

At school level, sustainable change has come from overall improvements in management and organization, particularly of succession planning and incentives for teachers. The demand for future support exists amongst schools and local consultants could now, potentially, offer services at market rates, though many schools report they would not be able to pay the full cost.

Conclusions and Recommendations

There is a tangible need for support to the private school sector in Kenya, and to improve business process and financial capacity in such schools. The ASK Program has made an important contribution to understanding this need, and starting to address it. The achievements and lessons learned suggest the following recommendations for future IFC programming:

1. Base programs on a clear design, with a program-specific logic model that clearly articulates a logical flow from the program activities to its objectives and develops a better balance between the monitoring needs of IFC globally and the implementation and monitoring needs of the individual program. Such a design must include program-specific monitoring and evaluation indicators linked to identified data collection mechanisms. A basic program Education Management Information System (EMIS) might assist in managing information on new schools.
2. Ensure program activities are based on an understanding of the different capacities of schools within the private sector, to provide differentiated services with appropriate delivery mechanisms, sufficient time and sufficient resources. The program should recognize that it may not be feasible for low-income schools to access finance through commercial banks within a program period, so objectives should take a long-term perspective for those schools and focus on the gradual development of their capacities through advisory services and other means of support such as grants. A capacity analysis of all schools on entering the program would be necessary to match the services provided with program schools.
3. Diversify the access to finance options within the program, firstly by working with a range of banks that offer different products to different types of clients. Secondly, by exploring options for innovative three-way partnerships between donors, IFC and banks, or public-private partnerships, to provide more conducive lending conditions for lower income schools. Such a partnership may help counter current barriers for schools, such as loan securities, repayment conditions and market rates, whilst minimizing the risk to banks.
4. To ensure sustainability, build the capacity of private school associations or other similar stakeholders to play a role in linking private schools to approved local service providers (e.g. auditing firms, training consultants, accountants) with information for schools on standards for advisory service packages and prices.
5. Set a realistic demand by government for financial record keeping etc. as part of registration and inspection regime of private schools. This is part of government's role to ensure minimum standards of provision and corporate propriety. It is a route to improving the information available to parents so as to facilitate a working market. It also provides an incentive for schools to develop and maintain good management practices.

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