Monitoring, evaluating and learning for education and extension–a framework for Index Based Livestock Insurance

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Context

The Index Based Livestock Insurance (IBLI) product is a research for development project that commenced in 2008, the result of a collaboration between Cornell University, the University of California-Davis (UC-Davis) and the International Livestock Research Institute (ILRI). The product aims to improve the resilience of pastoralists against drought related losses of livestock—their key productive asset. It relies on low cost, accessible and reliable forage availability data through satellite imagery of the earth's surface, targeting drought vulnerable pastoralists in Northern Kenya and the Borena region in Southern Ethiopia. IBLI has since been adopted by the government of Kenya as the Kenya Livestock Insurance Program (KLIP) in 2015 and efforts are underway for a similar kind of program in Ethiopia.

Though IBLI has seen its measures of success, one of the areas where it still faces considerable challenges is high transaction costs associated with operations and the marketing and distribution of the product. Several interrogations and evaluation studies have led to changes in the distribution model of IBLI in Kenya. In Ethiopia, the evaluations and interrogations have taken off only recently. At the heart of all these examinations have been the agents who sell IBLI and the clients who purchase them. As much as the delivery models are community-based with more or less structured hierarchy in both Kenya and Ethiopia, there is lack of standardised and systematic method of monitoring and evaluating the performance and behaviour of sales agents, and the subsequent effect of different education and extension methods on both clients and agents. This brief introduces a monitoring, evaluating and learning framework for both agents and clients, which the authors believe could lead to efficiency in delivery and creation of informed demand among beneficiaries in the pastoral communities if adopted and integrated into the operational process.

Justification

Monitoring, evaluation and learning (MEL) frameworks are largely recognized as integral parts of successful and thoughtful development interventions (Winderl and Colville 2009). Aside from collecting data that may help inform substantive impact assessment, monitoring practices allow for course correction if a project deviates from an intended outcome. The learning component of MEL supports this consistent self-evaluation and assumes that corrections will have to be made when implementing a complex intervention, such as building resilience with pastoralist communities.

The proposed MEL framework focuses specifically on extension and education initiatives for both the agents (the service deliverers) and the clients (the service consumers).

In the context of IBLI, extension refers to marketing, educating and interfacing with potential and existing pastoralist clients. Extension activities include direct marketing, such as signage and radio spots; face-to-face outreach done by sales agents, lead agents or village insurance promoters (VIPs); and customer service support, such as planned SMS or interactive voice response (IVR) question-and-answer systems. On the other side of the coin, education refers to the training and support provided for IBLI sales agents to enhance their capacity. These programs include face-to-face or digital sales training and monitoring of agent progress and performance.

We hypothesize that monitoring education and extension practices is critical to scaling IBLI to other geographies and pastoralist contexts. As previously mentioned, the distribution structure of IBLI, while largely successful, still faces several challenges. In 2016 and 2018, an evaluation was carried out by ILRI in collaboration with Kenya Markets Trust and Cornell University on the current model to identify challenges and provide recommendations towards a cost-effective and sustainable agency structure (Banerjee et al. 2017). The study uncovered constant challenges with sales agent training efficacy, specifically with lead agents (LAs) and subagents in Kenya, which results in subpar sales performance or misleading customers into contract sales.

In both Kenya and Ethiopia, there are no formalized processes for monitoring and assessing the performance of sales agents, tracking IBLI contract renewals and rewarding performance. This lack of tracking has adverse effects on agent retention and motivation in Kenya, with many qualified sales agents feeling discouraged with only an eight percent sales commission and no other incentives to work towards, such as recognition for consistent high performance. In Ethiopia, while there seems to be strong sense of community service among agents, it will only continue until similar challenges seen in Kenya start surfacing in Ethiopia as well. Understanding how to effectively integrate MEL into an agency-based sales model can fill the current gaps in tracking renewals and in monitoring, assessing and rewarding agent performance.

The following MEL framework is presented as a general framework meant to be customised for a specific geographic context and used as a standard procedure to develop MEL systems. Utilizing standard procedures and best practices for tracking and iterating will allow these systems to scale in conjunction with agency distribution systems and tracking agent performance. Effective methods of stimulating informed demand can lower costs and sustain product distribution.

Framework development process

The MEL framework development process began by interrogating the relationship between IBLI uptake; client education; and adequate agent training, motivation and monitoring hierarchies. Specifically, the concept of "informed demand" underpins this process. Informed

demand is not simply demand for the IBLI product; rather, it requires that customers are buying IBLI for the right reasons—because they understand the product,

how index-based livestock insurance operates, the conditionalities of indemnity payout and the specific risks it protects against.

Figure 1: Theory of change (ToC) behind the process of improving extension and education as a means of cultivating informed demand, thereby increasing IBLI uptake and improving pastoralist resilience to drought.
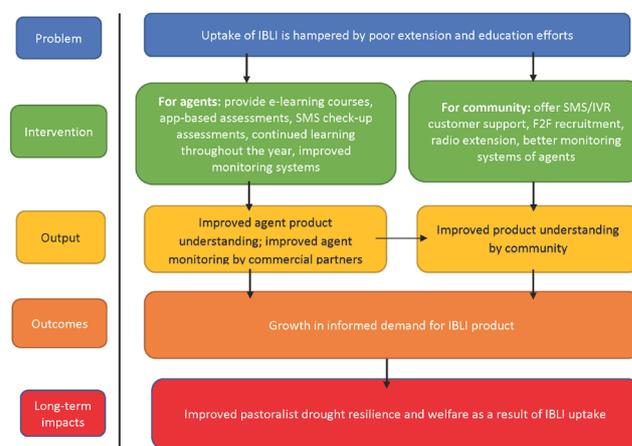
The key assumptions tied underlying this ToC include:

• The poor uptake of IBLI is primarily a function of inefficient and/or insufficient extension and education efforts rather than other causes.

• Through effective extension methods and well-trained agents, the community and prospective clients will understand IBLI and therefore be compelled to purchase coverage as it fits their needs.

• Informed demand will generate not only new sales, but also facilitate renewals of existing policies.

Finally, an overarching assumption inherent in the IBLI model is that pastoralist households will be protected from drought-related livestock losses and financial shocks through IBLI coverage.

Based on the above theory of change, an initial conceptual framework and workflow was created in consultation with members of the IBLI team who were already leading efforts in improving extension and education methods and tools. The conceptual framework is underpinned by the emphasis given in the ToC to cultivating informed demand through improving education and extension efforts as critical components for IBLI uptake. Following this drafting process, the research team tested key components of the framework through a two-part rapid needs assessment. The first part of this assessment took place in Isiolo County, a pastoralist area approximately five hours north of Nairobi, and involved semi-structured interviews with the county coordinator, one lead field agent and two sub-agents. The second part was comprised of a participatory workshop with field agents, including both county coordinators and lead sales agents. Targeted topics to investigate included success and challenges in sales, marketing and distribution; common questions received from clients; how lead agents and county coordinators track and define active agents; current and desired agent training programs; and ideal indicators to determine sales targets.

As a result of this assessment, the research team was able to effectively apply and test different components of the framework to address real issues in the existing agency-based distribution structure in Kenya. Furthermore, the team was able to combine both the MEL framework and key findings from the rapid needs assessment into concrete short, medium and long-term recommendations. The recommendations pointed out the need for revising existing IBLI extension content; continuing agent profiling activities; and underlining the necessity of an agent profiling, tracking and feedback system.

The monitoring, evaluation and learning framework

The following MEL model has been conceptualized as being applicable to multiple contexts and agency structures (Figure 2). Ideally, the model can assist in framing MEL systems in different geographical contexts as IBLI scales and expands into new territory.

Figure 2: Monitoring evaluation and learning model
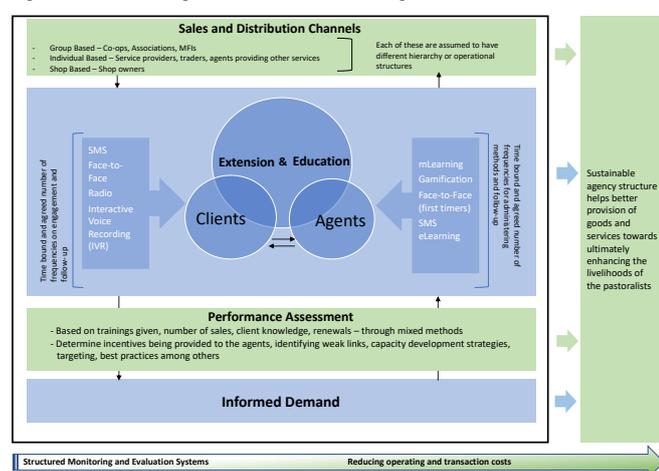
The model assumes effective sales and distribution is dependent on a strong agency structure, of which informed demand is a crucial part. This assumption underscores that assessing education and extension efforts is critical for a robust sales and distribution model. Sales and distribution channels are overarching elements to the MEL framework. Depending on the context, IBLI may be sold and distributed through an individual or shop-based model (such as being largely followed in Kenya) or through group methods (such as currently being done in Ethiopia). Each of the distribution models will have different hierarchies and operational structures depending on the institutional frameworks, delivery channels and commercial partners.

We assume that each sales and distribution structure involves field sales agents and has a hierarchical supervision. Enforcing of monitoring education and extension processes lies within agency-based sales and distribution systems, such as mandatory refresher courses for existing agents before the beginning of each sales window. Extension and education activities take place through sales and distribution channels and are delivered by the sales agencies. Extension, education and monitoring for these activities is time-bound. These activities should be iterative

enough to encompass feedback from clients and agents on how to improve these methods, while seeking to evaluate the overall efficacy of the different methods being used (refer to Figure 2).

Closely tied with the extension and education process is performance assessment. Performance assessment is the lens through which the potential of extension and education activities to cultivate informed demand is evaluated. The model suggests the use of mixed methods—a combination of quantitative and qualitative methods—to determine what works, what does not work and understand the reasons behind successes and failures. For example, individual client knowledge of IBLI can be assessed through regular surveys and other follow up methods. In addition, commercial partner data, specifically sales and contract renewal data, are critical to performance assessment. Performance assessment operationalization is dependent on timelines, which should also coincide with the monitoring and assessment timeframes. As part of the ultimate goal of improving IBLI delivery, having such structured monitoring and evaluation systems allow for overall reduction of operating and transaction costs of the service providers, while also allowing them to better provide goods and other valuable services to dryland communities.

Applicability of the framework

Applying the agency-based MEL model is contingent on the context. However, there are still key guidelines to follow when operationalizing such frameworks. Operationalizing the performance assessment is dependent on two types of indicators: process-oriented and output-oriented. Process-oriented indicators evaluate what can be improved in a given extension or evaluation method, while outcome-oriented indicators directly evaluate what is most effective in generating informed demand. Process indicators

comprise the monitoring aspect of this framework—they are meant to signal whether an extension or evaluation method is being operationalized correctly, and what (if any) corrections are necessary to take. Outcome indicators feed into the evaluation component of the framework and can provide richer information on the overall effects of extension and education efforts. Both sets of indicators are types of agent monitoring, which is critical to maximizing operational efficiency for commercial partners. Monitoring process indicators is critical to the "express, test and cycle" method of product design. By emphasizing this learning component, extension and education interventions can be steadily improved.

While the two types of indicators can be customized depending on local need, both extension and education should have their own process and outcome indicators. Additionally, each education or extension method must have process and outcome indicators specified. Table 1 provides sample indicators for measuring the efficacy of different extension methods, such as radio marketing or face-to-face sensitization.

Table 1: Sample indicators for extension methods

Process indicators	Outcome indicators
Radio message frequency	Results of a client phone survey
Number of clients interacting with customer support services (such as IVR or SMS)	Types of customer support queries
Number of face-to-face interactions with clients	Number of new and renewal sales

Table 2 provides sample indicators for monitoring agent knowledge levels. It should be pointed out that enforcement of agent monitoring must be engendered in the hierarchy of the agency system itself.

Table 2: Sample indicators for education methods

Process indicators	Outcome indicators
Agent scores on training tests and refresher courses	Sales and renewal sales data by agent
Focus group discussions evaluating agent experience with training methods	Compliance monitoring reinforced through agency hierarchy

Implication for scale

The MEL agency-based framework is a component of the IBLI sales and distribution model that can fill the current gaps in rewarding, monitoring and assessing agent performance, and tracking renewals. All of these are critical for scaling IBLI to other pastoralist communities outside of northern Kenya and southern Ethiopia. If a MEL model like this is adopted and embedded into the operational process

of IBLI, it will not only increase informed demand by clients, but also enable the insurance companies who distribute IBLI to take on other valuable complementary services.

Adopting and embedding the MEL framework requires certain process standardizations aimed at developing MEL systems. Utilizing standard procedures and best practices for tracking and iterating allows MEL systems to scale in conjunction with a given agency distribution system. Furthermore, tracking agent performance and identifying which methods are most effective for stimulating informed demand can lower costs and sustain product distribution.

Recommendations and ways forward

Operationalizing a MEL framework such as this requires short, medium and long-term prerequisites. Some of the main prerequisites are resources and buy-in from commercial and government partners. It is critical for this framework to be embedded in existing hierarchical agency-based structures as a standard operating procedure (SOP) and performance indicator for individual sales agents.

- Short term

i. Revising and cataloguing existing extension and education materials using feedback from stakeholders, specifically sales agents and beneficiaries.

ii. Standardizing recruitment, motivation and incentive structures of agency-based distribution systems tied to MEL practices. Enforcement of MEL procedures will not be effective if this is not done.

- Medium term

i. Plan and execute comprehensive needs assessments to capture information and considerations in different geographies and contexts.

ii. Profile agent to evaluate an agent population in terms of literacy, languages spoken, digital literacy and comfort levels, current knowledge of livestock markets and local markets, and sales history. This profiling should serve as a baseline metric pool for monitoring of agent sales process and knowledge growth.

- Long term

Establish agent tracking and feedback systems at either digital level or embedded in hierarchical agency frameworks within commercial partners, enabling MEL procedures to be adopted as SOPs within the agency-based distribution framework.

As a way forward, with support from funders such as International Initiative for Impact Evaluation (3ie), ILRI has started working with the private and public sector on revising, cataloguing and improving the delivery of

the existing learning content. This includes designing and testing a digital agent profiling system, which would be rolled out in 2019 to reach the medium-term goals of

setting up standard operating procedures and performance indicators for agents. Further support is being provided by the government of Kenya and entities such as the Swiss Capacity Development Fund (SCBF) to achieve the long-term prerequisites of operationalising the MEL framework, which should enable tracking performance and behavioural change of agents in the process of delivering financial services in the arid and semi-arid (ASAL) regions.

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