



# INCLUDING WAGE LABOR IN VALUE CHAIN ANALYSES: A GUIDE

**REPORT NO. 53**  
**OCTOBER 2016**

This publication was produced for review by the United States Agency for International Development. It was prepared by Melissa Schweisguth of ACDI/VOCA and Sam Bbosa with funding from USAID/E3's Leveraging Economic Opportunities (LEO) project.



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Opportunities

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# ACKNOWLEDGEMENTS

This guide benefitted from the valuable input of Kristin O'Planick, Bama Athreya, and Anastasia de Santos of USAID, along with contributions from Hayden Aaronson and Anna Garloch of ACDI/VOCA.

# I. OVERVIEW

Labor is both an input to the value chain and a source of income for individuals, making it doubly important for market development projects seeking to facilitate economic growth with poverty reduction. As such, this labor market analysis guide is designed to enable market system practitioners and donors to:

- gain a basic understanding of wage labor opportunities and dynamics within target value chain(s) and beneficiaries; and
- support application of these findings into interventions that reduce poverty and improve value chain competitiveness through improved wage labor outcomes.

The recommendations included here are designed to be integrated as a component of a broader value chain analysis and adapted to specific contexts and research needs, and are therefore purposefully simple. This is not meant to cover a complete labor market assessment, or to provide in-depth guidance on conducting a value chain analysis<sup>1</sup>—tools and resources for these purposes exist. Rather, projects can expect to gather the following information:

- An estimate of the relative contribution of wage labor to beneficiary household incomes (including but not limited to agricultural producers), sources of wage labor income across the year; livelihood survival strategies and desirability for wage work vis a vis other available economic activities; and constraints and opportunities faced in engaging in wage labor
- An indication of wage labor supply, demand, characteristics (quality, quantity), dynamics and performance impacts across target and ancillary value chains; including agricultural and non-agricultural goods, inputs and services.

## A. GUIDE COMPONENTS

In addition to an introductory section on the importance of wage labor, this document provides guidance for each of the four key steps (see adjoining figure) involved in conducting this analysis:

- Guidance for **desk research and preparation** for field research: including survey design, adapting surveys, interview tools, timing and resource needs;
- Guidance for **fieldwork**: from training to implementation, including identifying key informants and how to test questions for clear intent;
- Guidance for **analyzing and interpreting** fieldwork results;
- Guidance for **applying findings** to project<sup>2</sup> design and implementation;



**Sample survey instruments** for key informant interviews and focus groups with workers and employers are provided in Annex 1, along with an **illustrative scope of work** for a labor market assessment specialist in Annex II and an **annotated resource list** that includes examples of successful efforts that can serve as informative models in Annex III.

<sup>1</sup> See [Microlinks Value Chain Wiki](#), particularly the value chain protocol for the West Africa Rice study

<sup>2</sup> The term ‘project’ is used in the generic sense, not referencing the USAID-specific use of the term.

*Note: While many of the recommendations in this guide have origins in more rural, agricultural-based contexts, it is designed to apply in a variety of contexts, providing a basic starting point from which users can contextualize for how 'thick' or 'thin' the labor market may be in the particular area and along a rural-to-urban continuum.*

## **B. AREAS OF INQUIRY**

This guide facilitates an analysis of wage labor from two broad perspectives, the household and the target value chain(s), and also takes a holistic view that considers the dynamics of the broader enabling environment. The following aspects are considered; in Table 1 in the body of this guide, these three areas are also directly linked to the sample survey questions provided in **Annex 1** and the overall research process outlined in this guide.

### **i. Importance of wage labor to households**

- proportional income from self-employment and wage labor in an individual or household's total portfolio
- wage labor income sources across the year
- number of months households desire wage labor
- constraints and opportunity costs to engaging in wage labor

### **ii. Wage labor in value chains**

- current situation, trends and projections in wage labor supply and demand
- the nature and conditions of existing wage work opportunities (e.g., formality; wage basis; skill, experience and knowledge required; timing; duration; quality aspects such as wages, safety, feeding, breaks etc.; and the presence/risks of exploitation, such as child labor and forced labor)
- the extent, share and relative importance of wage labor to the competitiveness of the value chain
- the general characteristics (age, sex, wealth bracket, etc.) of wage workers
- how wage labor is sourced and selected
- interrelations with cross-cutting issues (e.g., constraints related to sex, age and other attributes, gender-based violence, access to finance, etc.)
- a high-level estimate of the potential benefits that would result from various interventions along target VCs, particularly for poor women and men (e.g., incremental income from X new jobs)

### **iii. Enabling environment**

- mobility issues (e.g., infrastructure, transportation, sex/ethnic/class-related constraints, conflicts)
- the flow of market information and demand/supply signals, and how asymmetrical is this information
- applicable wage labor policies, regulations and norms and prevailing practices

As the market systems development community seeks to become more labor aware and integrate wage labor efforts into its interventions, this guide serves to support donors and implementers in realizing this at a broad level. It is anticipated, and hoped, that continued research and application will result in refinements and additions to the guidance and tools herein. This can be achieved by collectively adopting a mindset of collaborating, learning and adapting; tapping forums such as conferences, online communities and resource portals; and relevant working groups. As we take the first steps into the arena of wage labor, prior learning, including the examples, guidance and references in this guide, can help us proceed in an informed way, and with an open mind oriented to discovery and innovation that yields accurate findings and improved outcomes for beneficiaries, value chain actors, and our sector.

# II. GUIDE

## A. BACKGROUND & INTRODUCTION

Practitioners and donors must understand the importance and nature of wage labor in order to design interventions that support inclusive growth and improve outcomes for wage workers. This guide therefore focuses on wage labor—see the text box below for more on what wage labor is and why this distinction matters.

### WHAT IS WAGE LABOR AND WHY DOES THIS MATTER?

The distinction between self-employment and wage employment is a crucial aspect for analyzing underlying incentive structures and processes of poverty reduction—recognizing that the same person can be self-employed in one activity and wage employed in another. The crucial difference lies in the ownership of the means of production (e.g., capital, land, assets, tools). In simplified terms, all income-generating activities fall into one of two categories: activities where the worker owns the means of production are self-employment; those where he/she does not, are wage employment. This has major implications for programming—for example, if a person owns the land, they may be willing to invest in it, purchase inputs, and so on. If a person derives the majority of his/her income through wage labor, they are likely to have other priorities such as higher wages, more work, safer work, etc. There are a wide variety of incentives and interventions that can impact their lives, but these are likely to be different from the typical ones offered by an agricultural development project, which is designed to respond to the needs and incentives of (self-employed) farmers.

Source: *Wage Labor, Agricultural Economies, and Pathways out of Poverty: A Stocktaking of Evidence*. USAID, 2015.

Individuals and households that rely on wage work (often casual or seasonal) for income are typically among the poorest members of rural communities. At the same time, wage work is also important for sustaining pathways out of poverty. For extensive data and research on this, see *Wage Labor, Agricultural Economies, and Pathways out of Poverty: A Stocktaking of Evidence* by Mueller and Chan (2015), highlighted in the adjoining text box, as well as Ingram and Oosterkamp (2014). Similarly, labor can be a critical input into the value chain (VC) at all levels: individuals and firms may be constrained in achieving profitable growth due to labor issues. Of course, labor sensitive programming depends not only on contextualizing analyses to consider wage labor (as this guide suggests), but also budgets for subsequent interventions, results management systems that support learning and evidence-based responses, partners that address targeted areas, and focused interventions in project design.

In 2015, the USAID-funded [Leveraging Economic Opportunities \(LEO\)](#) project produced a broadly-consultative [evidence review on the role of wage labor within rural market systems](#), focusing on the link between labor markets and poverty reduction. LEO also co-sponsored a multi-week [technical forum](#) to vet and elaborate on these findings (drawing out themes of structural transformation, migration, and M&E), engaging over 220 practitioners, economists, and donor representatives from 37 countries. A major driver for investigating these linkages is the growing recognition of the role wage work plays in the income streams and resilience of the poor—especially the poorest, who often rely on work for the majority of their income, but also for rural farming families, who complement income from crop sales with on-farm, off-farm, and non-farm employment.

Many insights from these efforts are reflected in this guide.

Access the full evidence review and an infographic at: [www.microlinks.org/LEOwagelabor](http://www.microlinks.org/LEOwagelabor). For more on LEO, visit [www.microlinks.org/leo](http://www.microlinks.org/leo).

## B. KEY STEPS

### STEP I: DESK RESEARCH & PREPARATION

This step has several activities, each explored below, that are interrelated and iterative:

1. Define objectives and conduct desk research to understand context and inform field work
2. Select field research team
3. Draft survey instrument and develop survey design
4. Identify and reach out to fieldwork participants, and develop preliminary schedule

#### I. DEFINE OBJECTIVES AND CONDUCT DESK RESEARCH

Before engaging in any research, it is essential to define your objectives, which will serve as the focus for your work in each phase. Desk-based research provides critical information to inform the fieldwork design and develop an initial understanding of wage labor in the target context, along with a broader understanding of the selected value chain(s). However, fieldwork must complement it in order to validate preliminary conclusions, as well as fill information gaps.

##### A. TIMING

Ideally, define objectives and initiate desk research several months prior to fieldwork. One need not spend several months actually doing desk research, but does need to conduct it sufficiently early enough to inform one's research design (including developing survey instruments) and to identify the skills and experience needed amongst the research team to guide selection. Many value chain assessment teams have found desk research to take a few days per commodity, including cross-cutting issues such as youth, gender and the environment. Given this, adding wage labor may entail up to one additional day, depending on complexity of VCs and target geography. Plan to spend some time on desk research during and after fieldwork, too, to explore issues and questions that emerged during your primary research. Engage team members in reviewing materials relevant to their foci when hired.

##### B. GUIDANCE

To define your objectives, use the areas of inquiry and objectives provided in Section I as a starting point. In conducting desk research, common sources include national statistics bureaus, implementers and donors of recent relevant projects, international bodies such as the ILO and the World Bank, academic and research institutions, certifying bodies (e.g., social, environmental) and others. Household Economy Analyses (HEA), which may be public or provided by a USAID Mission, are useful sources to develop household-level income pie charts. [Living Standards Measurements Surveys \(LSMS\)](#)<sup>3</sup> may also serve this purpose; where available, national [Labour Force Surveys](#)<sup>4</sup> are often the best source. Not all sources are public or accessible online. As such, it is invaluable to have an in-country team member or contact who can reach out to government and other entities to seek current, unpublished information or raw data that can be shared.

It is important to remember that secondary data and research have limitations. Wage labor data are particularly prone to be unreliable, underreporting actual wage labor incidence. Mueller & Chan (2015) found stark differences in wage labor incidence between field research and official statistics. National-level statistics often represent an average across sectors and communities, and summary reports may not break out or not

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<sup>3</sup> To access these studies, available in dozens of countries, visit [iresearch.worldbank.org/lsmssurveyFinder.htm](http://iresearch.worldbank.org/lsmssurveyFinder.htm).

<sup>4</sup> For countries that make these public, they are collected at <http://www.ilo.org/dyn/lfsurvey/lfsurvey.home>.

indicate specifics for a targeted beneficiary group or value chains. One may be able to obtain unpublished raw data with such detail. Survey questions may not use the correct local word for wage work, framing it as longer-term employment instead, skewing results. Surveys may also focus on only a short time window (e.g., wage work in past month), which if not staggered would omit periods of high wage labor incidence. Surveys may also miss migrant workers who are not present in the area during the time of study. Wage work is stigmatized in some contexts, leading to underestimates in cases where researchers are not aware of this and do not structure their research questions and design to obtain accurate information.

Where you cannot locate existing information on questions specific to wage labor, you may be able to extrapolate or make educated assumptions using other, related information. For example, background on typical value chain processes and the level of industrialization in the target region can help you identify likely wage labor needs in your study area.

Develop an annotated list of desk research documents and data, including a synthesis with key findings across sources. Engage the full research team in developing this to tap the team's full experience and align on implications for study design.

As mentioned above, stigmatization is an issue that warrants further discussion, as you may face it in fieldwork, and must adjust your questions and design to ensure accurate findings. Wage labor stigmatization can take on various dimensions, may be tied to ethnic or caste association and/or may be associated with low social-economic status. For example, in a typical tribal area where the majority of residents consider themselves 'indigenous' and live alongside a 'foreign', often landless minority, those in the minority tend to be the ones doing wage work. For example, in central Uganda, wage labor has long been associated with migrants such as the Banyarwanda and Bakiga from the country's southwest, who have migrated to seek agricultural wage work. Members of majority, indigenous groups who engage in wage work may be hesitant to reveal this. Likewise, certain wage labor tasks may be associated with men or women in a given area, and participation in a task associated with the opposite sex may be stigmatized. Following from this, those engaged in wage work that is seen as the domain of the opposite sex may not be willing to admit their participation. The design and fieldwork guidance (See Step 3, below) provides tips for addressing this.

### **DESK RESEARCH AND PREPARATION: SUMMARY OF TIPS**

- Seek multiple sources to cross-check data and key facts
- Ask report authors and data sources for survey tools and/or information on their methodologies
- Engage team members in desk research
- Beware that national-level statistics often under-report wage labor participation rates

## **2. SELECT FIELD RESEARCH TEAM**

### **A. TIMING**

If you need to hire external team members, start this component of the preparation early. You will want enough time to recruit and engage team members in desk research and research design prior to fieldwork.

### **B. GUIDANCE**

First, determine team size and responsibilities. LEO value chain assessment specialists have found that when covering three or more value chains in two or more regions, it works best to have one person per value chain

(e.g., crop or animal type/category, ecotourism, mining) and cross-cutting issue (e.g., gender, policy, finance, environment, wage labor). If your geography is much smaller and you are looking at only one or two value chains, you may be able to have a team member cover wage labor and another area of inquiry (e.g., policy, gender, or single value chain). Once roles are defined, draft a scope and begin recruiting. **An illustrative scope of work for a wage labor assessment specialist is included in Annex II**; the areas of inquiry in Section I.B can also inform the scope of work development.

It is ideal to have a team that includes nationals or regionally-based individuals who are familiar with the target sectors, regions and communities, and applicable local languages. Having local experts is particularly important for wage labor, which can take different forms and function in different ways within and across regions. More broadly, it enables you to begin translating survey materials in advance, and provides your team with appropriate cultural understanding and engagement, fostering respectful and more successful fieldwork. Post announcements in domestic newspapers, not just online.

#### **DESK RESEARCH AND PREPARATION: SUMMARY OF TIPS**

- Recruit in-country team members familiar with the wage labor dynamics
- Recruit team members with appropriate local languages skills to inform survey design
- Start recruiting early to allow for longer times that may be needed to recruit team members with specialized skills (especially in wage labor and rural employment)

### **3. DEVELOP SURVEYS AND DESIGN<sup>5</sup>**

Prior to the research team's arrival in country, complete draft survey instruments and determine the research methodology, select the study areas and target population, and confirm timing of field research. **Sample surveys for key informant interviews as well as focus group discussions with both wage workers and employers are included in Annex 1.**

#### **A. TIMING**

Begin developing fieldwork design at the outset, as this will influence your research, the types of survey forms and questions you need, and the type and number of field team members. This could take one to two days, which would be spent drafting a design based on information already obtained from background research, and vetting and refining this with in-country contacts and sector experts. Begin drafting surveys early so you have ample time for review and any translation. Using the draft surveys provided in **Annex I**, contextualization may take several days at most.

#### **B. GUIDANCE**

*Survey Methods and Instruments:* Design involves the research method that will be used (e.g. mix of individual and group interviews, balance between qualitative and quantitative methods, etc.), study locations, participants, and timing. Choose your method and instruments first so you can determine what types of interview and survey questions you need. For key informants, interviews with a single entity tend to work best. Many value chain analysis (VCA) research teams have found that, among value chain actors, producers are most likely to agree to participate in group discussions, while businesses such as traders, processors, manufacturers, retailers and input suppliers are more likely to prefer individual surveys to keep competitive information confidential. Individual surveys lend themselves better to obtaining in-depth and specific

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<sup>5</sup> For more detailed guidance on design oriented from an empirical research perspective, see Cramer, Johnston, Mueller, Oya and Sender (2014).

information (particularly numeric data) than focus groups—where asking such detailed questions results in disengaged participants. Focus groups may be best suited for identifying bigger-picture issues to delve into in individual interviews, and for characterizing a group (e.g., workers, community, local traders) along broad traits such as commodities produced and traded; income and production in terms of a range; constraints to upgrading; community-level infrastructure and services (financial and non-financial such as extension), sex and age.

*Timing:* Importantly, determine if wage labor is seasonal. If so, schedule research to coincide with active employment periods so you can observe wage labor and get a sense for the infrastructure at that time (e.g., road quality). Survey instruments should ask about wage labor across a year, not simply a few months or less, but complement such recall data with observation. To help draw this out and visually illustrate it, one could overlay labor calendars with other typical household income sources and expenditure periods.

*Survey development:* Begin with the templates in **Annex I** and revise based on your objectives, the target commodities and population, desk research, and input from the research team and relevant experts. See Step 2, Fieldwork below for guidance on revising surveys. Generally, a mix of quantitative and qualitative questions works well. Try to make qualitative questions closed where possible (e.g., select from a list of options, plus "other") for easier coding and analysis. Ask team members to provide input not only on technical completeness and accuracy (including terminology), but cultural appropriateness, and cross-cutting issues such as gender and inclusion. If you need to have surveys translated, ensure an in-country informant who is familiar with the selected language/s and wage labor reviews it. Lastly, plan to pilot the survey and make revisions prior to the full roll out.

If wage labor is stigmatized, revise your survey questions according to the guidance in the forthcoming section, Step 2, and ensure your sample includes additional key informants at each VC level to get a clear sense of the nature of stigmatization, information to triangulate with survey responses, and referrals to survey participants that are truly representative of the wage labor pool.

### **SURVEY DEVELOPMENT AND DESIGN: SUMMARY OF TIPS**

- Determine method first, so you have a basis for developing survey instruments efficiently
- Confirm whether you need statistical significance at any level of the value chain, as this impacts number of participants, and budget needs
- Combine both individual and group surveys, with group used as a first-round instrument among beneficiary communities in particular
- Schedule research during active wage employment periods

## **4. IDENTIFY AND SCHEDULE FIELDWORK**

### **A. GUIDANCE**

Develop a short survey request letter summarizing the purpose of your field research and the dates of the assessment. Many value chain assessment teams have found it helpful to begin fieldwork with key informant interviews then proceed to trace the value chain—and labor pathways in this case—interviewing VC actors from workers and producers to labor brokers, employers and retailers. In effect, the team will be following two types of value chains – those for the target product or service (extending to wage workers), and those for sectors providing significant wage work to beneficiaries. If you do not have connections to identified wage workers and

employers in your study area, ask key informants for referrals. Focus advance scheduling on key informant interviews covering a day or so each at the national and local levels, and connecting with a moderate number of wage workers groups and employers, then build on this with additional interviews in the field.

## STEP 2: FIELD WORK<sup>6</sup>

### OBJECTIVES FOR THIS STEP

This step has three primary activities, each explored below:

1. Train and align team
2. Pilot and refine instruments
3. Interview key informants and survey workers and employers

*A note on timing:* often 3-4 weeks is ideal for a full value chain analysis, given a team with a single person on each target value chain and cross-cutting issue (which includes one person focused on wage labor); and a logistics specialist.

#### I. TRAIN AND ALIGN TEAM

Training the field team allows you to ensure everyone is aligned on the study objectives and team member roles, understands the target value chains, the dynamics of the communities and VC actors you'll interview; and the intent of the survey and interview questions. In training team members on the context, be sure to include critical issues relevant to the context and sector, such as specific words and phrases used to identify/name wage labor, whether wage labor is looked upon negatively (stigmatized), interviewing approaches to elicit accurate responses if this is the case, and how to identify and respond to child labor. For USAID-funded projects, provide project and research team leadership with the USAID C-TIP Policy and Guide<sup>7</sup> beforehand, and train the team on these.<sup>1</sup> If you have individual team members focused on specific issues such as wage labor, which is often the case on VCA teams, include a training segment that helps all team members understand the importance of these issues, and basic questions any team member might include in their interviews and surveys. Ask in-country team members, or those familiar with the context, to collaborate on training around the local context. Allocate some time to practicing interview and survey questions to get team members familiar with them, and enable critical thinking about potential revisions. After this, review the fieldwork plan and logistics with the team, identifying gaps to be filled with additional interviews and surveys.

#### 2. PILOT AND REFINE SURVEY INSTRUMENTS

**Annex 1 provides illustrative survey instruments for key informant interviews, survey questions, and focus group guides with wage workers and employers.** Some instruments have a note regarding core and additional questions, allowing you to adjust your scope of inquiry. "Core" questions are basic questions recommended for a high-level scan. "Additional" questions will provide for a broader and deeper look. Revise

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<sup>6</sup> For more detailed guidance on fieldwork oriented from an empirical research perspective, see Cramer, Johnston, Mueller, Oya and Sender (2014).

<sup>7</sup> The USAID C-TIP Field Guide provides practical guidance to help educate USAID Mission staff and partners about trafficking and includes recommendations for integrating C-TIP activities into larger development programs, tools for designing stand-alone C-TIP activities, and evaluation techniques. Access at: [www.usaid.gov/sites/default/files/documents/2496/C-TIP\\_Field\\_Guide\\_Final\\_April%205%202013.pdf](http://www.usaid.gov/sites/default/files/documents/2496/C-TIP_Field_Guide_Final_April%205%202013.pdf)

the template instruments during the preparation phase, and refine after initial use in the field. Guidance for refining the sample/template materials is provided after the materials. Plan to use your first day or so of surveys to pilot your surveys and identify revisions to make, yielding refined instruments for the rest of fieldwork.

In adapting surveys for the particular context, this guide explores six considerations, in order to better target questions in advance, pilot and refine them in the field.

- i. Research objectives
- ii. Understanding of and perceptions about wage work
- iii. Local terminologies relating to wage work
- iv. Methods of compensation
- v. Family labor-based production and self-employment
- vi. Past and present experience of wage work in an area.

#### **i. Research objectives**

It is critical to ensure that your survey instruments include questions that allow you to meet your research objectives, by providing information to fulfill those objectives. Use your objectives as a guide for revising, adding and deleting questions from the sample instruments. It's helpful to create a table mapping questions on each instrument to your research objectives to identify gaps to fill, and redundancies you might eliminate by removing or revising questions. See Table 1 (in Section D - Step 3: Analyze and Interpret) for an example.

#### **ii. Attitudes toward and understanding of wage work**

In some places, wage labor has a negative connotation and is stigmatized. In such areas, few people will want to be identified as wage workers, even when they are. This situation may be strongly pronounced in areas where the majority of wage workers are migrants from ethnic groups or social classes that are not looked upon positively. Wage workers in such areas tend not to like to identify with wage work as doing so would 'equate' them with the low caste migrant laborers. In your desk research and pre-trip engagement with in-country informants, determine if this the case where you'll be doing your fieldwork. If so, the field team must have good probing techniques that will prompt the respondent to open up. Incorporate guidance for the field team in your surveys to probe, in a positive manner.

If you are not sure whether wage labor is stigmatized, or know it is but are not sure how, adjust your employer surveys to obtain relevant information. Ask employers how easy or difficult it is to find workers and why, where workers come from, and the ethnicity, social class and gender trends they see in applicants. Interview employers, with these questions included, before surveying workers, as your findings here may affect participant selection approach and revisions to questions you ask of workers. (This also helps you learn about local wage labor terms and dynamics, informing further work.) As an example, in the Fair Trade and Rural Poverty (FTRP) project (Cramer, Johnston, Oya and Sender, 2014), an employer on a large tea farm in Uganda reported difficulty sourcing workers from the local community as locals stigmatized wage labor. The employer had to seek out and recruit migrants from other regions who were willing to engage in wage work, and they represented the majority of their labor force.

You may identify stigmatization through contextual observation and survey data. For example, some indications of stigmatization include:

- Inequality in accessing agricultural land or other productive resources: For example, where most of the locals can access land for their own farming, the landless minority (usually poor and also

- migrants) often tend to be stigmatized—and the wage work they engage in may be similarly stigmatized.
- The level of alternative means for economic survival: Where there is a high level of petty/micro businesses, (i.e., where one can easily start up a small business if they have the requisite resources), those engaging in wage work may be stigmatized.
  - Wage levels: If potential income from wage work is very low relative to other income-generating opportunities, those willing to do wage work may be stigmatized.

If you are aware of or suspect stigmatization, reword wage worker questions to omit the local term(s) for wage work and ask individuals to state the different activities from which they have earned an income (cash or in kind). When you have a list of activities, clarify whether each activity was undertaken under self-employment, or for another entity, and ask about the duration, terms and rate (as in the template surveys). It may also be a negotiated task – even a one off, a daily piece of work, etc. You might also ask if the respondent worked alone or with others, and whether they own the means of production (land, equipment, etc.).

Additionally, in your interviews, try conducting interviews individually in a private space to obtain accurate data from respondents when stigmatization is a known issue.

Emphasize that no individual data will be shared, and maintain patience and an easy, conversational demeanor. Probing and alternate wording will add time over the simpler template questions, and you'll need to ensure the respondent feels this is normal and does not feel pressured to give a short and quick (possibly incorrect) response.

### **iii. Local terminologies and conceptualization of wage work**

In rural areas, individuals may have a limited definition of "wage labor." They may relate it only to ongoing employment with regular pay for an established organization (e.g., NGO, government). In your desk research, identify local examples of wage labor and include these as examples in your survey questions. Include guidance for the interviewer to ensure the interviewee understands meanings and contexts, and probe to obtain clear details about the wage labor situation (specifically the ownership of the means of production and the means of payment). Terminology also has a big impact on responses. Ask in-country informants what the appropriate term for wage labor is, and use this in your questions. For example, wage work may be called '*kibarua*' in East Africa (Uganda, Kenya Tanzania), or '*kyeyo*' in Uganda (casual wage work), or '*chai*' in Uganda's Karamoja region in Uganda—referring to 'local brew' that represents non-cash compensation for wage work.<sup>8</sup> As above, employers and key informants are good sources for this information.

### **iv. Local compensation for wage labor**

Wage labor compensation differs within and across countries and sectors. In desk research, learn about the specific methods used in your research area, and incorporate these into survey and interview questions.

### **v. Large family-based production and family labor**

Some large producers cultivating large acreage often employ unpaid family labor but may indicate that they use a lot of paid labor. In your desk research, try to determine the degree to which unpaid family is used at each VC level. Include guidance for researchers to establish whether one employs family labor (or is offering unpaid family labor) accurately, to avoid under reporting or over reporting. This should include probing

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<sup>8</sup> E.g., compensation might be 5 kg of maize flour or 1000 UGX plus '*chai*' for every half acre of field sprayed.

about: who owns the *means of production* and who *provides labor* which is usually *compensated* either in cash or in kind or a combination of both (presumed to be agreed upon prior to the undertaking of the job).

**vi. The experience of wage employment in the area (history and present)**

Interviewers need to be careful when interviewing wage workers from an area that has a history of negative wage work experiences which often overshadow the good ones. Wage workers will often generalize responses using the negative experience when asked about their own wage work yet the story they are giving relates to their colleagues/friends/other family members. The interviewer ought to be able to discern such cases.

### **3. INTERVIEW KEY INFORMANTS**

At the start of each interview, summarize the study objectives and specific areas of inquiry you seek to address in the interview, and ask the interviewee if they have questions. Use the summary you developed for interview and survey outreach. At the end of the interview, ask each interviewee for contacts for other key informants, value chain actors, and employers who provide wage labor opportunities accessible by beneficiaries. Aim to keep interviews within an hour. After the interview, send a thank you with follow up questions such as data requests. Bring your research team together at the end of each day to identify highlights, align on emerging conclusions, address issues, and recap the plan for the next day.

For surveys and focus groups, start each with introductions, a summary of your project, and questions from participants. Offer potential participants the opportunity to decline to participate, and to cease their participation at any time if they so choose. Assure them that all information will remain confidential, and take appropriate steps to do so. (e.g., assign each survey a number and associate that with data in your database.) Take care not to jeopardize wage workers' employment opportunities or wages—interview them away from their place of work, and employers and management. When interviewing individuals from a larger group, such as a local community or a retail market, use random selection as much as possible, while ensuring representative balance of sex, ethnicity and other demographic traits. In local communities, use a discussion format to identify workers and employers in the group, then proceed to individual surveys and/or smaller focus group discussions according to your design. When selecting employers, ensure a representative sample that includes firms of different sizes, degrees of formality, and sectors (or levels of target value chains) offering significant wage work.

## **EXAMPLE: PROBING QUESTIONS TO UNDERSTAND THE QUALITY AND STRUCTURE OF INFORMATION CHANNELS BETWEEN EMPLOYERS AND WORKERS**

There are several questions in the sample survey instruments that focus on how employers and employees communicate with each other. For example:

*What are the mechanisms through which employers/potential employers share information on job availability with workers/potential workers in the area? How do job seekers access information about job availability? How does the method of information sharing influence who gets and who does not get work?*

These are really critical questions and analyzing these responses may provide a focal point for interventions: information asymmetries are often quite pronounced and if they can be resolved, employers are more likely to find workers. In other words, labor markets become ‘thicker’ so employers are less likely to take value-added processing out of the area, and workers are likely to improve their bargaining power, supporting conditions whereby quality (including wage rates) can improve. Because labor market information is so often communicated through intermediaries and brokers, it is important to understand exactly who is acting in this role and how they bring workers to employers. There are likely sunk costs at this stage that make labor markets more inefficient - and take wages from workers’ pockets. The other phenomenon that may come up and may need to be dealt with sensitively, is family members recruiting other extended family members - especially youth and children. A third very likely observation, in some areas, will be the prevalence of migrant workers, and identifying labor brokers who are far away from the research locale is an additional challenge.

## **STEP 3: ANALYZE FINDINGS & INTERPRET**

Analysis and interpretation involve extracting meaning from the information gathered, with a focus on identifying implications for project design and implementation.

### **OBJECTIVES FOR THIS PHASE:**

- Identify interpretation questions for each study objective and the questions relevant to it
- Organize and combine data, and conduct appropriate calculations and qualitative analyses to address interpretation questions
- Create a written and graphical summary highlighting key results and their meaning (interpretation)

### **I. TIMING**

Analyses are generally conducted after fieldwork is complete. However, it is beneficial to start synthesizing information in some way during field work, such as holding nightly team check-ins to align on key findings to date, and identify any gaps in information gathering. Many value chain assessment teams find that data entry and analysis can take three to four days after fieldwork, for an analysis including three or four commodity groups and several cross-cutting issues. Labor data analysis may several days, given it will be a new area for many on the team, and depending on the extent of labor survey questions and the target area.

## 2. ANALYSIS

Analysis involves combining the information received across surveys, interviews and focus groups, and identifying general conclusions the results afford. With quantitative, or numeric data (including frequency counts and percentages for multiple choice, Y/N, etc.), you might calculate averages (e.g., mean, median) and ranges to identify overall tendencies and the degree of divergence. With qualitative information, you might determine the frequency of each response type, to see which is most common and what the areas of difference are. Qualitative question can also help explain quantitative results, in cases where they are related (see Table 1). Such analyses can be done for your overall sample, and across subsets defined by aspects such as sex, age range (youth/adult), location, or value chain level. The size of your overall sample and each subset will determine the level of significance for a given calculation or comparison, and thus how confident you can be that the results represent the overall situation on the ground. Monitoring and evaluation staff or technical experts on the team are best positioned to assist with analyses, from definition and calculations to statistical judgments.

## 3. INTERPRETATION

One way to interpret the information you've gathered is to map each of the interview, survey and focus group questions to the study objectives, and define some basic 'interpretation questions' indicating what the information gathered tells you regarding each objective.

Table 1 below provides an example of such a mapping, using the three 'areas of inquiry' outlined in Section I.B and the example survey instruments contained in **Annex 1**. The numbers in each cell correspond to the question numbering on each instrument. The interpretation questions represent some of the major areas of inquiry related to each objective.

Mapping your questions in this way helps you see how items from different instruments, and qualitative and quantitative questions, are related. As such, you can see how different perspectives align (e.g., workers and employers), and identify possible explanations for numeric results and trends using related qualitative questions. It offers a helpful framework to synthesize your findings to create a compact, comprehensive interpretation.

### **ANALYSIS AND INTERPRETATION: SUMMARY OF TIPS**

- Identify interpretation questions that you want to answer for each objective, using the related questions
- Craft your interpretation by synthesizing related questions for each objective, using qualitative questions to help explain related numeric results

**Table 1: Survey Interpretation: Mapping Objectives to Questions**

	Key Informant	Wage Worker Survey	Employer Survey	Worker Focus Group	Employer Focus Group	Interpretation Questions
<i>i. Importance of wage labor to beneficiary households, and their engagement in wage labor</i>						
1. Share of income from self-employment and wage labor		2 and 3 (combine for total income, determine % wage labor)		2		Do households depend more on wage labor or self employment? By how much?
2. Wage labor income sources across the year		2		1		Are sources limited or diverse? Do certain sources predominate at diff. times?
3. Months households desire wage labor	1	4		3		How do wage labor and wage work availability, align? When is there a labor surplus or deficit?
4. Months households can find wage labor	2	5	2, 5	4	3	
5. Constraints to engaging in wage labor	5	10		5, 6		What type of constraints predominate, and who can best address them?
<i>ii. Wage labor in target and ancillary VCs, and major sectors hiring wage workers</i>						
6. Extent and relative importance of wage labor for employers			1		1	Do firms depend more on wage labor or salaried/long-term labor, and by how much?
7. Traits of wage workers	1	Respondent traits	2	Respondent traits	5	What are the commonalities and range of diversity? Is it inclusive? How could it be more inclusive?
8. Nature and conditions of wage work	2	11	2	1, 7, 8	2	Is it equitable and safe? What improvements may be needed? Does it involve any terms subject to regulation?
9. Current situation, trends, projections in wage labor supply and demand	1, 2, 6	4	2, 3, 4	1, 3, 4	3, 4	Are supply and demand increasing or decreasing? Are they moving the same direction? What explains changes?

10. How wage labor is sourced and selected	3, 4	7, 8	6, 8, 9, 10	6, 9	5	Is hiring open and equitable? How well do beneficiaries meet selection criteria?
11. Potential benefits of various interventions along target VCs	2, 6	See proportional income from wage labor	4, 5, 7	2, 3, 4	3, 6, 7	What interventions will increase beneficiaries' engagement in and outcomes from wage work, and by how much? How do employers benefit?
12. Intersection with cross-cutting issues	1-3, 5	9, 10; respondent traits	3	10, respondent traits	5, 7	Do women, youth and other marginalized groups benefit equitably? How is migration at play?
13. Identification of violations of labor law and human rights	2	8, 11	2	7, 8	2	What problems may be present, what is causing them, and how can they be addressed?
<b><i>iii. Enabling Environment</i></b>						
14. Labor mobility issues	5	9, 10	7	10		How do infrastructure, income, laws and norms impact workers' abilities to access work opportunities?
15. Flow of information and signals	4	7	6, 8	9	8	How do wage workers learn about relevant opportunities and show employers they qualify?
16. Applicable policies, regulations and norms	5		7		9	What policies enable and constrain wage work opportunities and outcomes? What policies would bring improvement?

## STEP 4: APPLY AND INTEGRATE INTO PROJECT DESIGN

### OBJECTIVES FOR THIS PHASE

- Identify priority opportunities and constraints, and focus areas (e.g. geography, population segments, etc.), based on analysis and interpretation outcomes
- Determine which priority opportunities and constraints you can address and focus there
- Incorporate a wage labor lens into the results measurement system, ensuring it reflects appropriate indicators, result targets, learning questions, and suitable measurement methodologies that allow for sound implementation and monitoring of wage labor interventions

### I. TIMING

If you are developing a component of a new program, such as a project at start up, incorporate wage labor elements into intervention design into your start-up work planning. For an ongoing project, apply your learning to refine or expand your design as soon as practically possible, taking a mindset of Collaborating, Learning and Adapting (CLA). If you are developing a prospective program (such as a solicitation), apply organizational planning timelines with consideration for anticipated scope and complexity of the overall project; and the urgency of the proposed work. The staff time needed to develop design elements specific to wage labor will differ according to organizational review processes, the number of organizations involved, and the extent of the wage labor activities proposed. It may range from a few days for a delineated set of activities on a smaller project to a few weeks for a more complex project involving more intensive design reviews. And of course, design should not be a one-off activity, but should continually be updated and adapted to respond to real-time learning.

### 2. GUIDANCE

As this guide is focused on incorporating wage labor into a VC development project, treat it as a cross-cutting issue in an overall design for VC development. The overall VC development design would be focused on addressing priority opportunities and constraints in the target value chains, with cross-cutting issues integrated where they are critical to overall program goals, and would yield positive and increased results.

Develop wage labor elements for your overall design based on how analyses inform your interpretation questions, with a focus on opportunities to improve wage labor outcomes for beneficiaries, and across the target VCs. If you create an interpretation table like Table 1, you can use that to organize your planning and design.

- **Begin by validating that there are opportunities to improve household incomes** and/or VC competitiveness by incorporating wage labor elements, and that these will have a positive return on program investments within the program duration (Table 1, questions 1, 6 and 8, 9).
- **Prioritize opportunities with positive returns according to anticipated impacts on target beneficiaries, and relative returns to program spending** (Table 1, question 11). For example, if beneficiary households depend more on wage labor in the target VCs than external sectors, focus on integrating wage labor elements into interventions in the target VCs where you'll realize the biggest impact for beneficiaries (Table 1, question 2). Likewise, incorporate wage labor elements in VC development in a targeted way, at levels of the VC where fieldwork indicates the greatest gaps in wage labor supply, and/or the greatest opportunities for improved outcomes through decent wage labor opportunities (Table 1, questions 6 and 8).

- **Note where focus is needed on specific population segments that are currently missing out on wage work opportunities disproportionately** (e.g., if you see relative disadvantages/poorer outcomes for women than men), locations, and critical issues such as existing or potential risks of egregious labor conditions (e.g. trafficking, forced or child labor, etc.) (Table 1, questions 5, 7, 8, 12 and 13). For example, engage employers in capacity building, or facilitate linkages to appropriate capacity building partners, in order to help employers improve working conditions, such as implementing health and safety training and procedures. Educate staff on applicable labor regulations, and how to report observed violations safely if your research has uncovered the presence of violations or indicates a risk of their occurrence.
- **For each priority intervention area, identify constraints that prevent beneficiaries and VC actors from tapping potential opportunities**, then determine whether you can address each one as part of proposed VC and beneficiary development interventions, or would need to engage others to do so (in part or full). Constraints may include skills, education, transportation, information, and so on. Further prioritize constraints you can address in line with your budget, and build your design and implementation plan to address these and your prioritized opportunities. For example, skills training oriented toward labor market demands can help beneficiaries access more wage work (Table 1, question 5).
- **Identify activities that would enable you to address wage labor constraints and opportunities** as part of value chain development activities to maximize efficiency, ensure achievement of VC development results, and foster sustainable systems for both VC and wage labor improvement. For example, productivity and market development efforts that increase product output and demand stand to increase demand for wage work; upgrades such as mechanization may decrease wage labor demand, and value addition can foster higher paying work. Maximize facilitation and partnering to improve efficiency and impacts further. For example, engage VC actors who employ wage workers to provide training, after demonstrating the business case in your fieldwork, linking them to beneficiaries and other potential wage workers, collaborating on training curriculum informed by baseline surveys of beneficiaries and employers' needs, and providing Training of Trainers to enable employers to train wage workers. In cases where you've supported upgrades that increase or alter wage labor demand among VC actors, partnering with them to train and employ beneficiaries and others is a natural follow up; and the employer should be willing to invest their own resources after realizing the benefits of upgrades you've already supported.
- **Prioritize constraints you can't address, identify the entities best positioned to address them**, and develop a plan to engage such entities to address them. This may include elements such as policy, information dissemination and formal curriculum/education (Table 1, questions 5 and 16).
- Refer to your research in **sequencing and scheduling project activities**. For example, use your findings on whether supply and demand gaps are seasonal or ongoing for each of the target sectors, and when seasonal demand gaps manifest, to determine frequency and duration of interventions such as skills training and worker-employer linkages. Looking across sectors will also help you see where you can layer interventions across sectors, maximizing efficiency. Be sure to consider the timing of activities in the target VCs, particularly production cycles, and the months in which beneficiaries have reported that they desire wage labor (Table 1, questions 2, 3, 4 and 9).
- **Consider beneficiaries' access to transportation** as a guide in determining which employers to engage in developing wage labor opportunities for beneficiaries—those beneficiaries can access efficiently and affordably via available transportation (Table 1, questions 5 and 14).

- In all interventions, **utilize findings regarding constraints and needs of marginalized groups**, and incorporate elements into interventions to build beneficiary capacity, increase employers' support and inclusiveness, and engage partners in fostering greater equity (Table 1, questions 5, 7 and 12).
- If information flow is a challenge for workers and/or employers, engage employers and communities in **developing improved market information systems**, including for wage rate signals, as well as recruiting communication systems to signal the availability of wage work, and workers that meet the required qualifications (Table 1, questions 10 and 15). For example, employers may need to use different languages or media (written, oral) to relay job announcements.

Beyond these points, it's critical to ensure that wage labor intervention elements do not counter VC development efforts, or orient beneficiaries toward sectors that desire wage workers when beneficiaries are not available. Use your research results to identify unintended consequences of value chain development efforts on wage labor outcomes, and vice versa. For example, mechanization can lead to reduced demand for workers; leaving beneficiaries in need of support finding and transitioning to other wage work opportunities. Productivity efforts can decrease demand for child labor, an issue that can be addressed by ensuring sufficient focus on fostering market linkages to increase household incomes, connecting producers with available wage labor for hire, and incorporating topics such as child labor into training.

Lastly, quality implementation of wage labor related interventions needs to be complemented with a results management system that allows you to monitor progress, learn, and adapt. It is therefore critical to define desired outcomes for each intervention area, and work with staff to identify appropriate indicators, learning questions, and suitable measurement techniques (keeping in mind many of the research considerations raised under Step 1 and 2). For example, see the box below for sample indicators arising from one rapid labor assessment on a USAID/Food for Peace project in Uganda. For a more detailed discussion of indicators, see [Measuring Employment Outcomes Briefing Paper](#) (WFC, 2015).

## **EXAMPLE: SAMPLE PROJECT INDICATORS TO CAPTURE IMPACT ON WAGE LABOR OUTCOMES**

In late 2015, the USAID/Food for Peace-funded, ACDI/VOCA-led *Resiliency through Wealth, Agriculture, and Nutrition* project (RWANU) in the Karamoja area of Uganda conducted a rapid wage labor assessment to better understand the prevalence of wage labor amongst the vulnerable populations the program was targeting with primarily agricultural production-based interventions. The findings clearly demonstrated the importance of wage work for the most vulnerable households, and linked food security to income to wage work for the poorest. The report provided the following illustrative indicators, organized around workers and employers, that the project could adopt, based on which of the priority interventions it adopted.

**Workers** (disaggregated by sex, location, and other key demographics):

- Number of beneficiaries with improved wage labor outcomes
- Number of days in the past 12 months that working-age household members (aged >15) spent in wage employment with an effective daily wage of [project-determined] or more per day
- Number of days in past 12 months when beneficiaries desired wage work, but no wage work was available
  - Number of times this left beneficiaries unable to earn money to buy sufficient food
- Share of children (aged <14) living in the household who missed school more than 5 days (one week) in the past 12 months because they had to work (either for wage or on home farm)
- Number of mothers who had access to child care in the past 12 months in order to allow them to work for wages

**Employers:**

- Number of workers employed in the past 12 months at an effective daily wage of [set based on project/context] or more
- Number of occasions that the employer was not able to find a sufficient number of relevant workers, particularly among beneficiary communities
- Number of beneficiaries trained on wage work skills by employers
- Number of new wage labor jobs created in target VCs, by VC level
- Average effective daily wage for designated skill levels in target VCs, by VC level

## **APPLICATION: SUMMARY OF TIPS**

- Identify interventions with the most likelihood of being implementable with staff/budgetary resources, management buy-in, program goals, and partner interest, and shortlist those with the greatest expected impact
- Consider sustainable mechanisms for change, and don't rely entirely on direct delivery approaches
- Determine where you need to engage other entities to address key constraints
- Include a labor lens into the project learning agenda and results management system (e.g. indicators, monitoring tools, etc.).

# ANNEX I: SAMPLE SURVEY INSTRUMENTS

## A. KEY INFORMANT QUESTIONS

**Instructions to researcher:** Capture information about wage labor in the target value chains, and other sectors that provide the most wage labor opportunities to beneficiaries. Ask each question first in a general sense, then ask about any specifics in the target value chain(s).

### 1. Supply: How would you describe the current and recent past situation of wage labor supply in this area?

- How significant is the proportion/number of people actively looking for wage work in the area?
- Which kind of people tend to depend on wage labor and what tends to drive them into wage work? Where do they tend to come from?
- How does labor supply change over the year, and what does it look like across seasons?

**Instruction to researcher:** Try to capture both general impressions and figures/statistics (current and trends). The interviewee may not be able to cite statistics—ask for a source and/or follow up after the interview. Probe for specifics about, sex, marital status, youth/children, socioeconomic level, regional issues.

### 2. Demand: How much work is available and who are the major employers in the area?

- How many employers exist in the area and who are they?
- How many workers does each employ in a season/defined period?
- How has the number of employers/workers been changing over the past 3 years and what might account for the trends?
- Typically, during which months is work most available, least available?

**Instruction to researcher:** As above, ask about statistics and sources, as well as general impressions. As for estimates with examples such as 'out of 10 people looking for work, how many would be able to find it during peak and non-peak months?'

### 3. Demand: What are the important things that employers in the area consider when searching for/selecting workers?

- Who is most likely to be considered and why?
- Who is least likely to be considered and why?

**Instruction to researcher:** Probe regarding skills, ethnicity, social group, family, age, sex, distance from work station, etc.

### 4. Demand: What are the common characteristics for wage work in the area? Please note any marked differences across seasons, sectors and work level (skilled/unskilled).

- What factors, in order, are the basis for wages? E.g., time, piece rate, other (name)?

- Are wage work arrangements generally formal or informal?
- For how many days (or months) does the typical wage work opportunity last?
- What regulations, enforcement mechanisms and worker protections exist?

***Instruction to researcher:*** Probe regarding gender and social group preferences, and variations across seasons and sectors.

**5. What are the mechanisms through which employers/potential employers share information on job availability with workers/potential workers in the area?**

- How do job seekers access information about job availability?
- How does the method of information sharing influence who gets and who does not get work?

***Instruction to researcher:*** Probe regarding location of information sources e.g., information centers, notice boards, language, government and non-government institutions, and individuals.

**6. Constraints: What are the constraints and promoting/supporting factors in the enabling environment, related to engaging in wage work as a worker and hiring workers as an employer?**

- Who can and who cannot participate in wage work and why?
- Who can and who cannot move to work where and why?
- Any targeted government or donor programs for promoting youth and women engagement in wage work?
- Any other general actions for improving environment for wage work engagement?

***Instruction to researcher:*** Look out for **logistical, regulatory, social-cultural, economic and other** constraints to engaging in wage labor:- issues of ethnicity, social class, sex, age, marital status. Inquire about actions around improving employment engagement e.g., laws around wages, working hours, anti-discrimination, child labor, freedom of association, and any arrangements for facilitating employment-related information for those most in need of wage work.

**7. Projections: What prospects exist in the area for increased wage work?**

- Are there expected increases/decreases in employment opportunities?
- Who are the prospective new employers and how many are they?
- How many workers are they expected to take on and how soon are they expected to start recruiting?
- What are the threats/opportunities for increased wage work opportunities?

**B. WAGE WORKER SURVEY QUESTIONS: INDIVIDUAL**

**CORE QUESTIONS: 1-6, 9-10, 12-13**

**ADDITIONAL PROBING QUESTIONS 7-8, 11,**

*Income Sources*

- List of all income generating activities – whether wage or /self-employment you have engaged in during the past 12 months – even if it was for one day.

**Instruction to researcher:** *For every activity mentioned, please indicate whether it was wage or own account work.*

Income-generating activity: State activity	Self-employed or paid by someone else? (circle)	
	Self	Hired by Other

- For each wage work activity, please provide the following information

Wage activity	Name of employer	Nature of employment (Casual, contract, etc.)	months worked per year	days worked per month	Hours worked per day	Basis for compensation (hourly, piece rate, etc.)	Add'l non-cash compensation (e.g., daily meal, housing)	Total earnings per year from activity (currency)

- State your self-employment activities and what you earned from each one in the last year.

**Instruction to researcher:** *Ask if they can state annual income first. If not, determine the appropriate unit, and the income received per unit. Write these on the table. Do calculations later*

Self-employment activity	Unit (e.g., month, kilo)	Income per unit	Annual Income (unit x income per unit)

**Wage labor supply (when workers seek wage work)**

4. In which months were you seeking wage work? (circle months)

J      F      M      A      M      J      J      A      S      O      N      D

5. In which months were you unable to find the amount of wage work that you wanted? (circle months)

J      F      M      A      M      J      J      A      S      O      N      D

**Wage work access and attainment**

6. How do you access information about wage work generally? What are your sources, including media, employers, agents and community members?

- a. How easy is it to find information about wage work?
- b. Does information state preferences for age and/or gender, or differ across men and women, and/or different age groups? If so, please explain. Y N

7. Have you had to have to pay anyone or give anyone anything to enable you get wage work?

Y      N

- a. If YES, for which work did you pay or give someone something to get?
- b. If YES, What did you pay with? If money, how much? (*Researcher: Check out for sexual demands by males for female workers as well as other favors*)

8. Have you migrated to another region for work? Y      N

- a. If YES, which wage work and where did you migrate to?

Wage Activity	Location Migrated To

9. What factors have helped you obtain the type and amount of wage work you want? (check/state for each job in each cell as appropriate. Ask about family/informal and formal factors)

Factor that helped you get wage work	Wage work opportunity

10. What constraints have you faced in accessing obtaining the type and amount of wage work you want? (check/state constraint for each job in each cell as appropriate)

Wage Activity You Have Faced Constraints Accessing or Obtaining	Do not have transportation	Do not have needed skills/experience (state skill/experience needed)	Other (state)
	Y N		
	Y N		
	Y N		
	Y N		
	Y N		

11. What time and costs do you spend for transportation to wage work? (complete table)

Wage Activity	Transport Mode	Distance (state units)	Time (minutes)	Cost	Whom do you pay for this?

*Conditions*

12. How are the work condition(s) in the wage work you have done? E.g., Do employers provide any safety training/or gear, breaks, etc.

13. Do you have any questions or comments for me?

**C. SURVEY QUESTIONS: EMPLOYERS**

**CORE QUESTIONS: 1-4, 6-8, 11-12**

**ADDITIONAL PROBING QUESTIONS: 5, 10**

*Wage Labor Demand*

**1. What percentage of your labor costs are represented by wage labor (approximately)?**

Labor costs \_\_\_\_\_ %

**2. For which tasks do you use wage labor, and what are your current demands?**

Task	Num. skilled/semi-skilled wage workers	Num. unskilled wage workers	Min-Max worker age	Work Hrs/day	Terms of employment (e.g., casual, contract)	Compensation basis (e.g., unit-state, hour, day)	Cash pay per basis (e.g., \$/hr, day, kg)	Non-cash compensation	Months wage labor used	Peak mos. for wage labor
									J F M A M J J A S O N D	J F M A M J J A S O N D
									J F M A M J J A S O N D	J F M A M J J A S O N D

**3. How many wage workers have you employed in the past three years?**

2015				2014				2013			
Skilled/semiskilled		unskilled		Skilled/semiskilled		unskilled		Skilled/semiskilled		unskilled	
Male	Fem	Male	Fem	Male	Fem	Male	Fem	Male	fem	Male	Fem

**4. How do you think your demand for wage labor in the next few years will compare to current needs, and why? (Circle answer)**

Much less      Somewhat less      Same      Somewhat more      Much more

Estimate percent change \_\_\_\_\_ % More Less (circle)

Why? \_\_\_\_\_

**5. What percentage of wage workers do you rehire from one season to another? \_\_\_\_\_**

*Wage Labor Supply*

**6. In which months did you face a shortage of wage workers in the past 12 months?**

J      F      M      A      M      J      J      A      S      O      N      D

7. How easy or difficult is it finding wage workers in the area? If 1 is "very easy" and 5 is very difficult," what is your level of difficulty from 1-5? Please explain your answer.

Very easy 1                      2                      3                      4                      5 Very Difficult?

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8. Do you face any constraints employing wage workers? If yes, what are these?

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*Recruitment and Selection*

9. How do you recruit wage workers? How do you circulate information about wage labor opportunities?

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10. How do you screen applicants for wage work?

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11. What are your most important considerations in recruiting and selecting wage workers and why?

**Instructions to interviewer:** Probe re: sex, age, region, ethnicity, lineage, social class, hired before, etc.

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12. Do you have any questions or comments for me?

#### **D. FOCUS GROUP DISCUSSION QUESTIONS – WAGE WORKERS**

- 1) Which kind of wage work opportunities exist in the area, how long do they last for, and who are the key employers? How does this change across the year?
- 2) How important is wage labor for your total household income across the year? Is it more than half? Less than half?
  - a) Has this changed over the years? If so, how (more or less important)?
  - b) How important do you think wage work will be for your income in the coming years: more, same, less?
- 3) During which months do you and your family members want to engage in wage labor?
- 4) During which months do you experience the highest and lowest amount of wage work opportunities?
- 5) How difficult it is, finding wage work in the area, and why (e.g., skills, access constraints)?
- 6) Has anyone among the group ever been rejected for wage work? What were the reasons?
- 7) What are the common terms of wage work? Are wages usually based on time, piece rate, or other (name)? Are arrangements generally formal or informal? How do these differ across sectors and seasons?
- 8) How are the working conditions in the wage work you can access? What are the good points and areas to improve?
- 9) What regulations are in place to protect workers, and what supports ensure these are upheld?
- 10) If multiple employers are offering the same type of wage work what reasons would make you choose to work for one employer over the other?
- 11) How do you access information about wage work availability? How easy is it finding information about job opportunities?
- 12) Has anyone migrated to another region for work? Are there any reasons that have prevented you from moving and/or travelling to work in any place where there was a wage work opportunity?
- 13) What ideas do you have to improve work opportunities?
- 14) Do you have any questions or comments for me?

## **E. FOCUS GROUP DISCUSSION QUESTIONS – EMPLOYERS**

- 1) How important is wage labor to your business? Is it more or less than half of your employee costs?
- 2) What wage work opportunities/needs do you have, in terms of tasks?
- 3) During what months do you need wage workers the most?
- 4) During what months do you need wage workers the least?
- 5) What level of skill and experience do you seek in wage workers? What are the most important considerations when looking for workers?
- 6) How easy or difficult is it finding (wage) workers in the area, and why?
- 7) What constraints that have prevented you from recruiting and/or hiring sufficient wage workers? (e.g., Do logistical, regulatory, socio-cultural, economic, etc.)
- 8) How and where do you disseminate information about employment opportunities?
- 9) How does the policy environment support and constrain you in employing workers?
- 10) What ideas do you have to improve work opportunities?
- 11) Do you have any questions or comments for me?

# ANNEX II. ILLUSTRATIVE LABOR MARKET ASSESSMENT SCOPE OF WORK (SOW)

*Note: this scope of work was prepared as part of an assignment contracted by ACDI/VOCA to conduct a rapid labor market assessment for the USAID-funded Resilience through Wealth, Agriculture, and Nutrition (RWANU) project it is implementing in Karamoja, Uganda. The results of this assessment are available online<sup>9</sup>, as identified in the Annotated Resources table in Annex III. This assessment was not integrated directly into a value chain analysis, but rather conducted mid-course in a food security project that was aiming to take a more market-based approach. **This SOW is therefore tailored for that program and is provided as an illustrative example only, as it contains many useful elements that could be adapted for other settings.***

## **RAPID LABOR MARKET ASSESSMENT**

### **BACKGROUND**

ACDI/VOCA requires the services of a labor market specialist to provide analytical and strategy development support to ACDI/VOCA's USAID/Uganda RWANU project. The goal of RWANU is to reduce food insecurity among vulnerable people in Southern Karamoja. There are two strategic objectives (SO): 1) improved access to food for men and women; and 2) reduced malnutrition in pregnant and lactating women (PLW) and children under five. Under SO1, the project has supported production and marketing of staple food crops, horticultural kitchen gardens, honey production and goats, while supporting savings groups, agro-input dealers and community animal health workers. Under SO2, RWANU has promoted positive health and nutrition practices and improved service delivery for prevention and treatment of maternal and child illness.

The RWANU program is currently in the process of reorienting its strategy to adopt a more market driven approach to increasing household incomes and overall food security and nutrition in Karamoja. With its increased focus on market development, ACDI/VOCA is interested in exploring opportunities to stimulate and support labor markets in Karamoja. While employment opportunities within Karamoja may be limited, there may be opportunities through casual labor or seasonal employment (harvesting, weeding, herding, transport) that could be supported through the project.

### **Purpose and Objectives of Assignment**

The purpose of the assignment is to provide analytical support and strategy development in the area of labor markets to support ACDI/VOCA's USAID/RWANU project strategy review process.

### **ASSIGNMENT TASKS AND ESTIMATED LOE**

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<sup>9</sup> [www.acdivoca.org/wp-content/uploads/2016/10/RWANU-Labor-Market-Assessment-FINAL.pdf](http://www.acdivoca.org/wp-content/uploads/2016/10/RWANU-Labor-Market-Assessment-FINAL.pdf)

- 1) **Desk Research and Field Work Preparation (5 days)** – Review existing technical reports and project documents related to labor market development in Karamoja and other similar agro-pastoral regions. Prepare field research plans and workshop presentation. This includes the preparation of preliminary labor calendars, and review of project framework/indicators.
- 2) **Workshop Participation and Presentation (2 days travel, 1 day preparation, 3 days for workshop)** – Participate in the RWANU Sustainability Workshop and deliver a presentation on integrating labor markets into food security and livelihoods strategies and programs. The presentation is aimed to raise awareness among project staff and relevant stakeholders on the importance of wage work, how it impacts household systems, and brainstorming of new approaches and activities to supporting labor markets. Potential activities could consider employment generation through micro-enterprise development support, identification of discrete interventions with labor channels, such as job-matching services or improving transparency of labor markets as well as integrating labor awareness into business management trainings for agro-input dealers and other small businesses.
- 3) **Launch Rapid Labor Market Analysis Study - (3 days, 1 day travel return)** – Work with local Ugandan Research Lead to establish field research plan, pilot field questionnaires with key informants (private and public) and develop data collection system. The purpose of the Rapid Labor Market Analysis Study is to get a quick snapshot of the labor markets in Karamoja, how labor contributes to household economic systems, and implications and recommendations for RWANU’s food security, nutrition and market development strategies.
- 4) **Supervision and guidance of local consultant** – (2 days) - remotely supervise and guide local consultant during field research phase, to ensure adequate quality of data and direction of research.
- 5) **Finalize Rapid Labor Market Analysis (8 days)** – Produce a final report which provides a preliminary situational analysis of labor markets in Karamoja, recommendations for RWANU and other development partners and donors, and proposes a learning agenda around labor markets.
- 6) **Serve as a Technical Advisor to RWANU on Labor Market Support Strategies (5 days)** – Provide remote technical guidance on implementation and strategy issues around labor issues.

**Total LOE = 30 days**

### **SPECIAL CONSIDERATIONS**

**Seasonal Calendars** - The consultant should look to overlaying a HH-wide, wage-inclusive income calendar with existing crop/livestock calendar and a nutritional/diet diversity calendar to identify key vulnerabilities, as well as labor shortages and opportunities (on and off-farm), or periods during the year to prioritize interventions.

**Labor-related Vulnerability Analysis** – The consultant should look to conduct discussions with beneficiary and mother-care groups about vulnerabilities they face, such as economic issues/cash-flow, labor shortage/care burdens, nutritionally, health-wise (diseases, violence, etc.), gender empowerment – as a result of the HH’s engagement in labor opportunities, incl. for instance male or youth family members working outside of Karamoja. Design activities to address these vulnerabilities (awareness-raising, health campaigns, linking the savings activities more concretely with these ‘gap’ periods and child-care - groups or businesses.

**Child Labor** - An important element to analyze might be child labor, and ways to reduce it. Creating incentives for children to stay in school/education can have important double benefits: a) the obvious positive impact on child/youth development, but also b) freeing work that can be filled by job-seeking adults.

**Designing Performance Impact Indicators** – Develop performance indicators for all recommended labor market support activities for RWANU. This will not only measure impact and support learning on the project but support agency-wide learning across ACDI/VOCA and USAID.

**Local Consultant** – Budget permitting, there may be an opportunity to work in concert with a local consultant to expand field research, participate in the workshop and contribute to the final report.

#### **DELIVERABLES**

- 1) **Project Level Workshop** – The workshop would provide a presentation about wage work, how it is underestimated and overlooked and why it is important. Additional sessions would facilitate collective brainstorming and group work on how this applies in Karamoja. For instance, this may include looking at promoting access to wage labor opportunities, allocation to most needy households, and improving conditions of existing labor markets.
- 2) **Rapid Labor Market Analysis Final Report** – The report will incorporate findings from desk research, key informant interviews, and the project workshop to provide a) a preliminary situational analysis of labor markets in Karamoja, b) provide recommendations within for RWANU as well as larger recommendations for development partners/donors and c) establish a future learning agenda on labor market development in Karamoja.

# ANNEX III. ANNOTATED RESOURCES

Title	Resource Features			Description
	Back-ground on Wage Labor	Implementation and Research Guidance	Tools for Surveying & Analysis	
<a href="#"><u>Wage Labor, Agriculture-Based Economies, and Pathways out of Poverty: Taking Stock of the Evidence.</u></a> Mueller, B & M. Chan. 2015. LEO.	x	x		This report synthesizes the current literature on employment and pathways out of poverty, with a special focus on rural wage labor. It identifies the root causes of discrepancies across wage labor data from different sources, providing insights into how fieldwork can be structured to obtain accurate results. It also proposes some ways development programs can improve employment and poverty reduction impacts, based on research and fieldwork to date.
<a href="#"><u>Fairtrade, Employment and Poverty Reduction in Ethiopia and Uganda.</u></a> Cramer, C., D. Johnston, C. Oya and J. Sender. 2014. SOAS.	x	x	x	Comparative analysis of wage labor opportunities (wages/income and working conditions) across Fairtrade and non-Fairtrade tea, coffee and flower production; in Ethiopia and Uganda. Includes background on wage labor with a focus on Fairtrade, a detailed explanation of participant selection and research design, findings, recommendations, and survey instruments (individual and focus group).
<a href="#"><u>Literature review on the labor market impacts of value chain development interventions.</u></a> Ingram, V & E. Oosterkamp. 2014.	x			Synthesizes studies evaluating the impact of value chain interventions of the quality and quantity of employment. Provides a broad understanding of potential interventions and their outcomes.
<a href="#"><u>Value chain development for decent work: how to create employment and improve working conditions in targeted sectors.</u></a> International Labor Office. 2015. ILO.	x	x		Focused on designing value chain development interventions that improve employment opportunities, conditions and outcomes (including attention to women and the environment). Provides an overview of value chain development and facilitation, selecting value chains with the greatest potential to impact employment opportunities, and guidance for research, analysis, and program design and implementation. It also includes M&E indicators that may be used for initial analyses.

Title	Resource Features			Description
	Back-ground on Wage Labor	Implement ation and Research Guidance	Tools for Surveying & Analysis	
<a href="#">How to do (and how not to do) fieldwork on Fair Trade and rural poverty.</a> Cramer, C., D. Johnston, B. Mueller, C. Oya & J. Sender. 2014. <i>Canadian Journal of Development Studies</i> , 35.		x		Provides guidance for conducting fieldwork on fair trade and rural poverty, which can be generalized to agricultural development more broadly. Discusses participant selection methods and survey tools that enable sufficient coverage of wage labor.
<b>Living Wage Reports: Dominican Republic, Kenya and South Africa.</b> Anker, R & M. Anker. 2013-14.		x		Reports on three studies focused on determining living wage in specific VCs in individual countries. Helpful for practitioners seeking to benchmark wage labor rates against local wages in agricultural value chains.
<a href="#">Wage Labor for Food Security in Southern Karamoja: A Labor Market Assessment for RWANU.</a> Mueller, B & S. Bbosa. 2015. ACDI/VOCA.		x	x	Rapid assessment of the importance of wage work to vulnerable populations targeted by the USAID/Food for Peace-funded RWANU project in Karamoja, Uganda. Includes sample interventions, indicators, learning agenda questions, survey tools, and an assessment of the situation. A good example of a labor 'lens' applied to a traditional food security project with primarily agricultural and nutrition-focused program areas.
<a href="#">Microlinks Value Chain Wiki.</a> USAID AMAP, ACDI/VOCA.		x	x	Comprehensive guidance and tools for conducting a value chain analysis. Includes an overview of the value chain framework, guidance for participant selection, and guiding questions for interviews.
<a href="#">Measuring Employment Outcomes Briefing Paper.</a> Workforce Connections (WFC). 2015. WFC.	x			Part of the Workforce Connections' Labor Market Assessment Toolkit. This summarizes current issues, practices and trends in measuring employment/labor market outcomes from workforce development programs—including indicators. It is useful for the application phase, with respect to selecting indicators and enacting M&E.
<a href="#">Champion Validation.</a> Workforce Connections. 2015.		x	x	Part of the Workforce Connections' Labor Market Assessment Toolkit. This short tool provides guidance and questions to be used to vet findings and recommendations for interventions from a labor market assessment, with a group of key informants/stakeholders (including potential champions to partner on/support the proposed work).

Title	Resource Features			Description
	Back-ground on Wage Labor	Implement ation and Research Guidance	Tools for Surveying & Analysis	
<a href="#"><u>Value Chain Mapping</u></a> . Workforce Connections. 2016.		x	x	Part of the Workforce Connections' Labor Market Assessment Toolkit. This short tool provides guidance for drawing a value chain map that includes opportunities for wage labor/employment, and the skills/education needed for each opportunity. It provides an example VC map with labor indicated. The Value Chain wiki on Microlinks should be used for complete guidance on VC analysis, as this tool provides guidance for creating a map only.
<a href="#"><u>Workforce Development Ecosystem Assessment</u></a> . RTI. 2015.		x		This is oriented toward donors and others developing country-wide strategies, but can be applicable to a smaller geographic scope, and is useful for interpretation and application. It provides guidance for determining whether workforce development efforts are critical and would have positive benefits, and what aspects to focus on.
<a href="#"><u>Education Stocks and Flows Diagram: A Tool for Implementing Labor Market Assessments</u></a> . Workforce Connections. 2015.			x	Part of the Workforce Connections' Labor Market Assessment Toolkit. Brief guidance for developing or interpreting a diagram that shows education levels among current workers (stock), and expected change due to currently enrolled students (flow).
<a href="#"><u>Labor Policy Review Tool</u></a> . Workforce Connections. 2014.			x	Part of the Workforce Connections' Labor Market Assessment Toolkit. This lists and categorizes major policy areas that are relevant to wage labor. It is a helpful framework for identifying areas of focus for research.

# ANNEX IV: REFERENCES

Cramer, C., D. Johnston, B. Mueller, C. Oya & J. Sender. 2014. "How to do (and how not to do) fieldwork on Fair Trade and Rural Poverty." *Canadian Journal of Development Studies*, 35.

Ingram, V. & E. Oosterkamp. 2014. *Literature review on the labour market impacts of value chain development interventions*. LEI Wageningen UR.

Mueller, B & M. Chan. 2015. *Wage Labor, Agriculture-Based Economies, and Pathways out of Poverty: Taking Stock of the Evidence*. USAID LEO Project. [www.microlinks.org/leowagelabor](http://www.microlinks.org/leowagelabor)

Mueller, B & S. Bbosa. 2015. *Wage Labor for Food Security in Southern Karamoja: A Labor Market Assessment for RWANU*. ACIDI/VOCA. [www.acdivoca.org/2016/10/wage-labor-for-food-security-in-southern-karamoj-uganda/](http://www.acdivoca.org/2016/10/wage-labor-for-food-security-in-southern-karamoj-uganda/)

USAID. Microlinks Value Chain Wiki, accessed July-August 2016.

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