



# Performance Management Toolkit for Outcomes-Based Financing Programs

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Funders



Transaction Manager



Technical Partners



Performance Managers



Independent Evaluator



*This report is part of a series of knowledge products drawing on data and insights from the Skill Impact Bond, aimed at augmenting existing knowledge and practices within the skilling ecosystem. The other two reports — the Business & Impact Case for OBF in Skilling for and Compendium of Best Practices — can be found [here](#).*

*This report was authored by Dalberg Advisors with inputs from the Skill Impact Bond Steering Committee and British Asian Trust.*

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01

## About the toolkit



# Abbreviations

<b>IO</b>	Implementing Organisation
<b>IRR</b>	Internal Rate of Return
<b>KPI</b>	Key Performance Indicators
<b>MEL</b>	Monitoring, Evaluation and Learning
<b>MIS</b>	Management Information System
<b>NSDC</b>	National Skill Development Corporation
<b>NSQF</b>	National Skills Qualifications Framework
<b>OBF</b>	Outcome-based Financing
<b>OF</b>	Outcome Funders
<b>PM</b>	Performance Manager
<b>RI</b>	Risk Investors
<b>SIB</b>	Skill Impact Bond
<b>SIDH</b>	Skill India Digital Hub
<b>Steer Co</b>	Steering Committee
<b>ToC</b>	Theory of Change
<b>TP/ SP</b>	Training Provider/ Service Provider (used instead of IO in certain SIB exhibits)

# Glossary of Terms

<b>Absorptive capacity</b>	The maximum volume of trainees an implementing organisation (IO) can effectively train and support for a specific cohort duration through to placement and retention, given its infrastructure, faculty, systems, and operational bandwidth.
<b>Burn Rate</b>	The pace at which funds are spent by the program (or IO) over time, often tracked monthly, to monitor financial health and project runway.
<b>Cohort</b>	An entire implementation cycle from enrolment to retention
<b>Discordance</b>	Mismatch identified during independent candidate verification by third party evaluator between reported and actual placement/retention status. <i>Type 1: Reported placed/retained but candidate denies.</i> <i>Type 2: Reported not placed/retained but candidate affirms employment.</i>
<b>Leakage Cost</b>	Cost implications arising from candidate dropouts at each stage of the skilling and placement value chain, resulting in sunk or underutilized investments.
<b>Outcome Cost</b>	The pre-determined cost paid by Risk Investors to the implementing organisation (IO) for each beneficiary successfully retained in employment for 90 days/120 days post placement
<b>Outcome Funder</b>	The entity that pays for verified outcomes. The Outcome Funder makes these payments to the Risk Investors who had absorbed the upfront implementation and performance risk.
<b>Outcome Price</b>	Pre-agreed price paid per verified outcome by the Outcome Funder to the risk investor, reflecting negotiated cost and acceptable return expectations.
<b>Return Caps</b>	Upper limit set on financial returns to the risk investor, ensuring that incentives remain reasonable and aligned with the programme developmental objectives.
<b>Risk Investor</b>	Entity that provides upfront working capital to the program/IOs, absorbing performance risk and recouping investments ( <i>with returns</i> ) based on outcomes achieved.
<b>Sliding Scale</b>	Structured payment mechanism where proportion of funding shifts progressively from inputs (like enrolment, certification) to final outcomes (placement, retention) over successive cohorts, thereby increasing outcome orientation.

# Compendium of tools and templates

## Note for readers:

The tools and templates linked in this toolkit are illustrative examples drawn from the Skill Impact Bond (SIB) program. They were designed for the specific objectives, transaction design, and stakeholder context of SIB.

These materials are shared to provide deeper contextual understanding of how performance management was operationalized in practice. They may not serve as ready-to-use solutions. Users are encouraged to adapt and customize these tools based on their program’s design, contractual requirements, and operating context.

Pillar	Layer	Block	Tool/Template	Link
1	Portfolio	PM Strategy	IO selection model	<a href="#">Link</a>
1	IO	PM Governance	Changelog	<a href="#">Link</a>
1	Portfolio	PM Governance	IO data reporting	<a href="#">Link</a>
1	IO	Project Planning	Target allocation framework	<a href="#">Link</a>
1	IO	Project Planning	IO cohort planning templates	<a href="#">Link</a>
1	IO	Project Planning	IO cost template	<a href="#">Link</a>
1	IO	Risk management	Risk register	<a href="#">Link</a>
2	IO	Capacity strengthening	Outcome readiness survey and program readiness survey	<a href="#">Link</a>
2	IO	Capacity Strengthening	Field team training template	<a href="#">Link</a>
3	Portfolio	Outcome monitoring	IO performance tracker	<a href="#">Link</a>
3	Portfolio	Outcome monitoring	Program outcomes tracker	<a href="#">Link</a>
3	Portfolio	Cashflow monitoring	RI financial management template	<a href="#">Link</a>
3	IO	Cost monitoring	IO cost analysis	<a href="#">Link</a>

# A practical guide for performance managers, drawing on insights from experts and experience from the Skill Impact Bond (SIB) performance management unit



## Objectives of the toolkit

This toolkit answers three main questions:

### ✓ What is performance management?

It unpacks ‘what’ performance management entails in OBF programs through four core pillars—defining performance, enabling delivery, monitoring progress, and embedding learning—applied across both the portfolio and organisational levels of implementation

### ✓ Why is performance management important?

It explains the ‘why’ behind each pillar—linking it directly to the outcomes it drives, not just outlining procedural steps. For example, defining performance priorities to create shared focus, monitoring to detect risks early, and diagnosing to address root causes of underperformance

### ✓ How to undertake performance management?

It focuses on “how” to undertake the role—providing insights into the process, equipping readers with practical tools/ templates, demonstrating successful models through case studies, etc.

## Audience for the toolkit

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- The audience for this toolkit comprises of
  - Government or quasi-government bodies serving as performance managers in OBF programs (e.g., NSDC in the Skill Impact Bond)
  - Program teams within CSR funders and philanthropic organizations looking to adopt an OBF approach
- While useful for anyone seeking to understand performance management in OBF programs across sectors, the toolkit draws heavily from the skilling sector—using the Skill Impact Bond as its main reference—making its examples most relevant to OBF programs in this space

## Research methodology

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- Dalberg knowledge and expertise: Most of the toolkit content draws on documentation and insights from Dalberg and NSDC’s performance management experience with SIB
- Stakeholders and external experts: The toolkit content was validated and enriched through consultations with SIB stakeholders and industry experts, including consultations with SIB Steering Committee and implementation organisations, and with external organizations:
  - UBS Optimus Foundation
  - Bridges Outcomes Partnership
  - Education Outcomes Fund

# 02

## Why performance management & why now



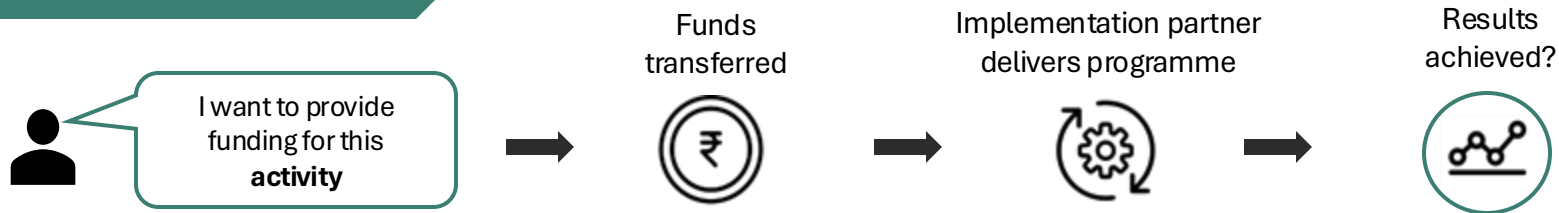
# Across India and the world, outcome-based financing is gaining traction as an effective approach to ensuring development programs reach outcomes

Outcome-based financing (OBF) programs are mechanisms which link **meaningful proportion of funding to pre-agreed, measurable and verified outcomes, thus using financial incentives to ensure accountability to outcomes**. This approach shifts the focus from funding inputs to rewarding measurable improvements in development objectives. OBFs include instruments like DIBs, SSNs, RBFs, outcome guarantees, etc

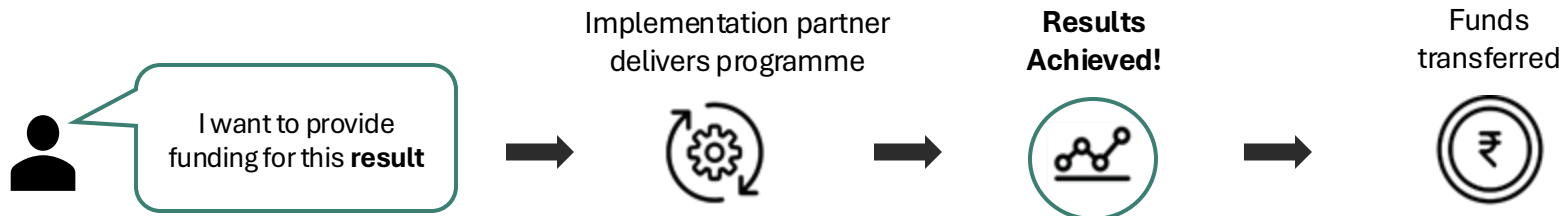
## How it typically works

## Benefits

### Traditional finance



### Outcomes-based finance (OBF)

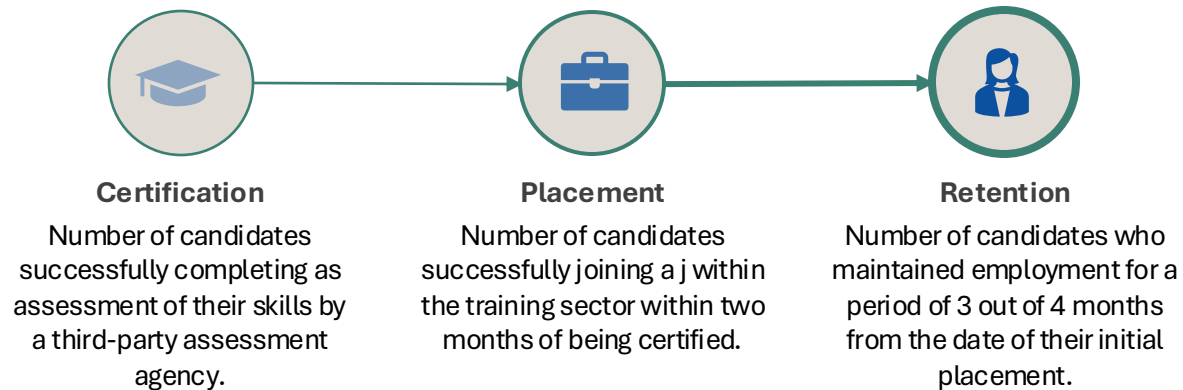


- ✓ Mobilizes private capital for development outcomes by de-risking grant money
- ✓ Brings in implementation discipline and accountability via increased transparency in reporting and outcome measurement
- ✓ Incentivizes innovation to enhance delivery
- ✓ Advances the entire ecosystem by building an evidence base and distilling learnings






*All this combined increases the likelihood of outcome achievement*

# This document builds on the experience of designing and implementing the Skill Impact Bond, India's first and largest employment development impact bond (DIB)

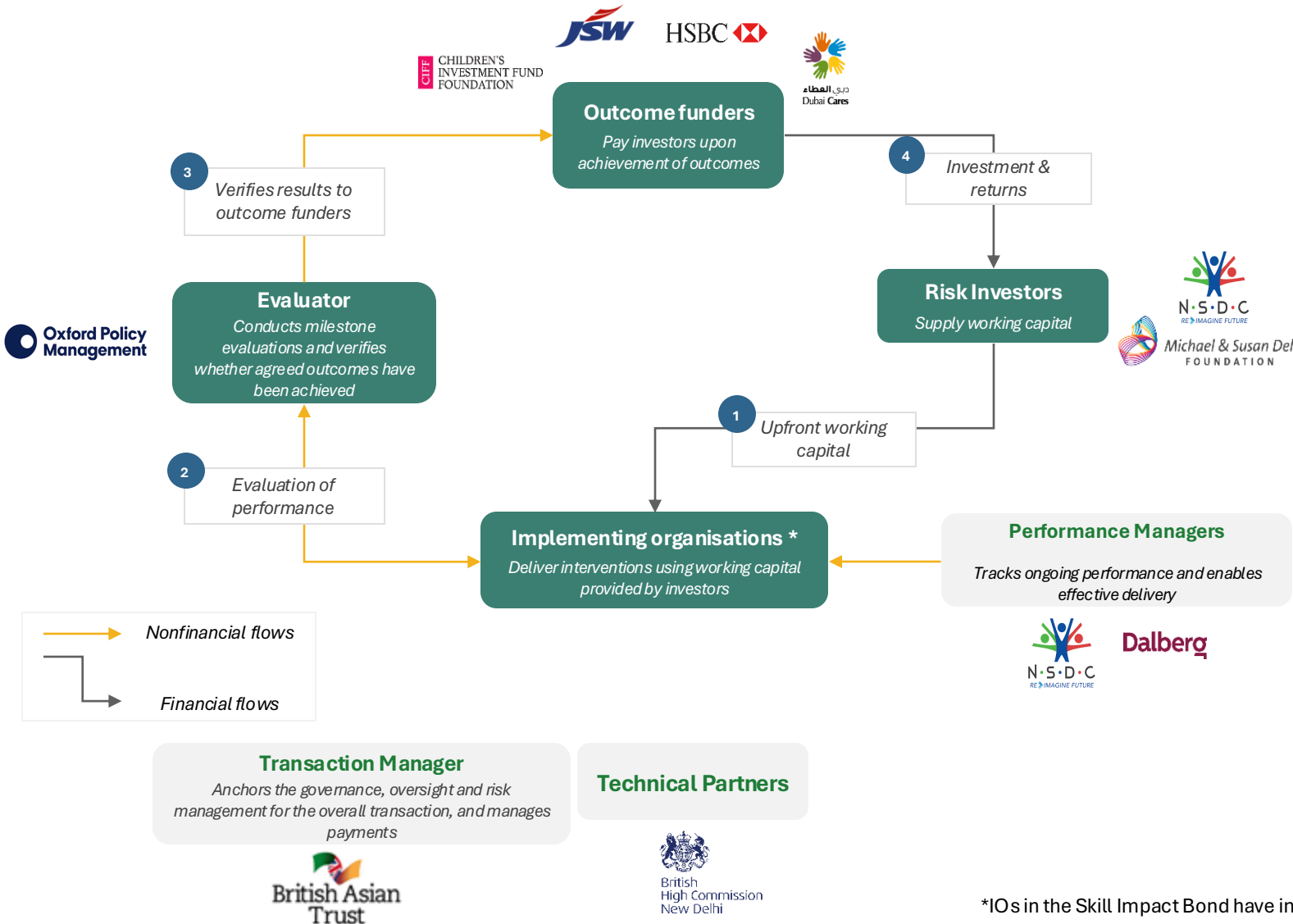
The Skill Impact Bond is India's first and largest outcome-linked employment development impact bond (DIB) aimed at empowering **50,000 young adults (at least 60% women)** over a four-year period. The initiative has introduced a paradigm shift in the Indian skilling ecosystem by linking payments to outcomes:



## Over four years, the Skill Impact Bond will,

-  Bring about transformative change in the skilling ecosystem for enhanced training, employability, and job retention, especially for women.
-  Shift the focus from outputs such as enrolment towards outcomes such as long-term job retention.
-  Encourage creativity and innovations in outcome delivery, by providing flexible and risk-taking capital to training partners.
-  Generate and disseminate robust evidence, data, and learnings on additionality, price per outcome, and value for money in the skilling ecosystem.
-  Facilitate mainstreaming of outcomes-focus, innovations, and gender lens in the skilling ecosystem.

# The Skill Impact Bond is a four-year DIB focused on enhancing skilling outcomes in India through an outcomes-based approach, especially for women



## Benefits to key stakeholders

- **Risk Investor:** Financing social impact along with earning potential returns
- **Outcome Funder:** Funders pay only for results, this improving value for money and cost-effectiveness
- **Implementing organisation:** IOs get access to flexible upfront capital along with support and encouragement to innovate and scale successful models

## Risks to key stakeholders

- **Risk Investor:** Risk of loss of capital due to underperformance
- **Outcome Funder:** The short-term focus on achieving measurable outcomes may not translate into sustainable systemic change.
- **Implementing organisation:** Potential income variability based on outcomes and high pressure to meet targets

\*IOs in the Skill Impact Bond have included organizations such as Magic Bus India Foundation, Learnet Skills Ltd., PanIIT Alumni Foundation, Tech Mahindra Foundation, EduJobs Academy, Tata STRIVE, Gram Tarang, etc.

# Performance management is a core enabler in OBF programs

Performance management **steers implementation toward outcomes achievement** by enhancing accountability, reducing programmatic risks, and driving continuous improvement in programme delivery

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As a **strategic facilitator**—it fosters an outcome mindset among implementing organisations, builds their capacities to deliver outcomes, and supports them in piloting innovations



As a **risk mitigator**—it anticipates risks (programmatic, operational, financial, safeguarding, reputational, etc.), develops mitigation plans, and continuously monitors emerging risks to keep outcomes on track\*\*



As a **learning partner**—it generates insights and learnings from performance data, informs ongoing course correction, and contributes to ecosystem knowledge and best practices

\* The PM usually is engaged only after the program design and primary contract with the funder are finalized. Their role is limited to downstream contracting and does not include involvement in the initial contracting process.

\*\*The role of the PM as a risk manager and learning partner can be a shared role in some of the larger and more complex instruments, in which case the PM is also bound to work with partners like the Transaction Manager and Evaluator/Learning Partners to deliver these objectives, with a specific focus on representing the position of the Investors and Implementation Organizations.

\*\*\*Additional Resource: The OECD report on [Outcomes-Based Financing in the New Financing for Development Architecture](#) has highlighted the role of performance management in “driving outcomes by improving service delivery, real time decision making, and helping service providers learn from and respond to new information”

# A few key tenets of good performance management as identified by ecosystem stakeholders

## Foundations: Embedding Performance Management into Program Design

### **The performance management function must be structurally enabled.**

“The performance management function must be structurally enabled from the outset—with dedicated budgets, clearly defined authority, and direct access to key stakeholders.”

2

### **Performance management and outcome delivery are deeply interconnected.**

“A PM should have as much ownership of outcomes as the implementing organizations themselves—success depends on joint accountability\*.”

3

### **The performance manager’s role is dynamic and must flex based on context and capabilities.**

“The extent of involvement varies by program—if IOs have strong capabilities, the PM can remain at arm’s length; if not, the PM must play a more hands-on enabling role. Adaptability is key.”

## Execution: Tailoring Engagement and Being Collaborative

### **Contextual intelligence is critical.**

“The PM must recognise that contexts of IOs are widely different (e.g., rural vs. urban settings), and adapt expectations, requirements, and support strategies accordingly.”

4

### **Performance conversations must go beyond numbers.**

“True progress comes from deep listening and trust-building—not just tracking numbers. PMs must invest in relationships with IO leadership and teams, and focus discussions on how outcomes will be achieved, not just what they are.”

5

### **Early engagement is high-touch, later involvement can taper.**

“PM support is especially crucial in the early stages to enable IOs and set systems up for success. Over time, the PM can transition toward a more strategic, light-touch posture.”

6

## Outcomes: Operating with Insight and Driving Improvement

### **Candor, courage, and long-term vision are essential.**

“The PM must be willing to make difficult calls—like switching IOs or pausing programs—even when there’s pressure to protect short-term optics over long-term impact. Navigating competing stakeholder priorities is part of the job.”

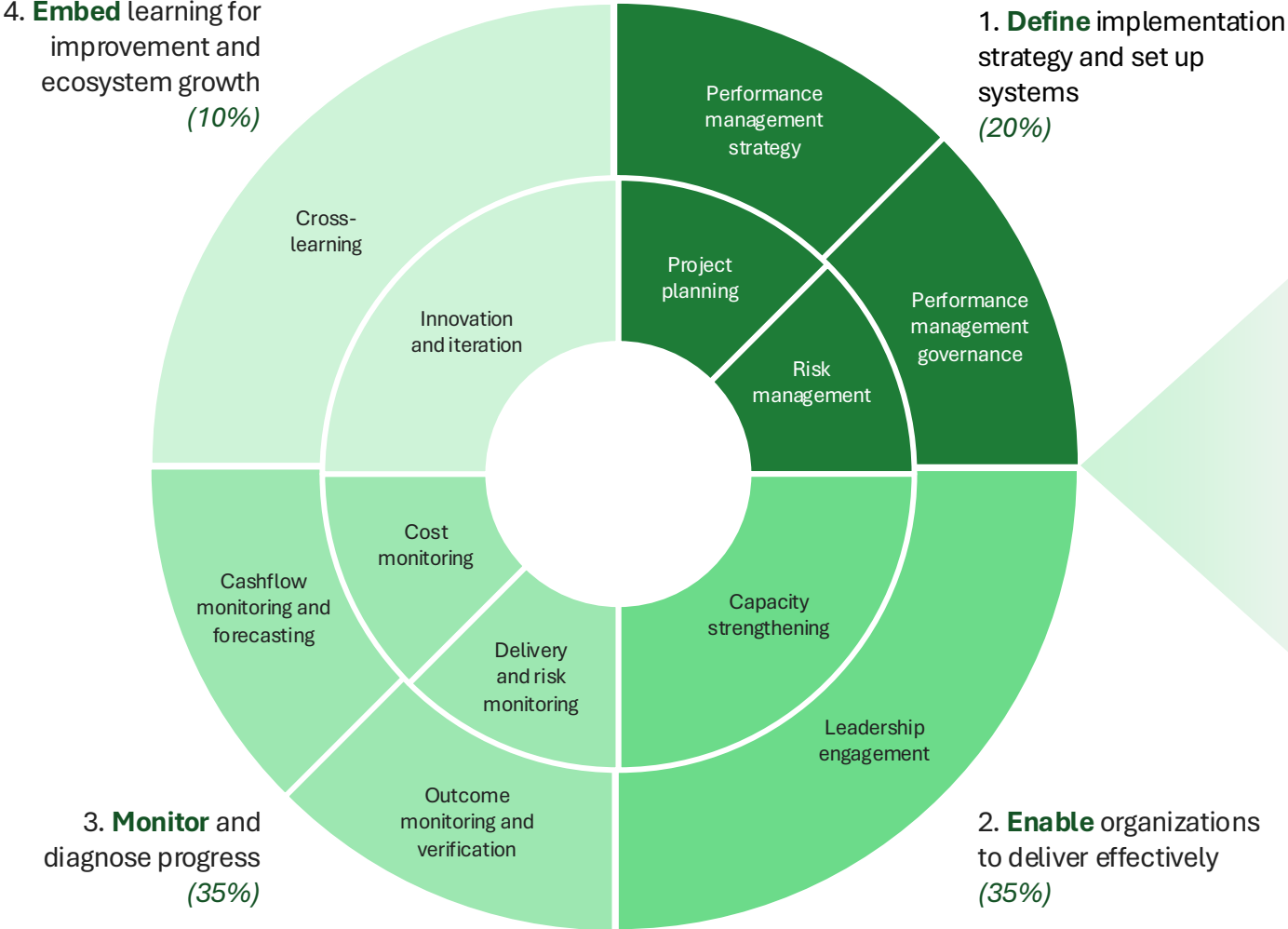
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### **The performance manager is a strategic partner—not just a taskmaster.**



“Its role is to unpack what’s working/what’s not and why, drive learning and innovation, and ask the critical “so what?”—what could we have done better and what should we do next? This distinguishes the PM from a project manager.”

8

# Performance management entails four pillars of work across two layers of implementation



## A performance manager operates across two layers of implementation

- 
**Portfolio layer:** The performance manager focuses on aligning investors and the IOs, driving performance towards shared goals, and safeguarding financial and impact returns (30%)
- 
**Organisation layer:** The performance manager empowers each implementing organization to deliver outcomes effectively, while also strengthening their capacity to sustain impact beyond the program (70%)

The percentages in italics indicate PM effort allocation

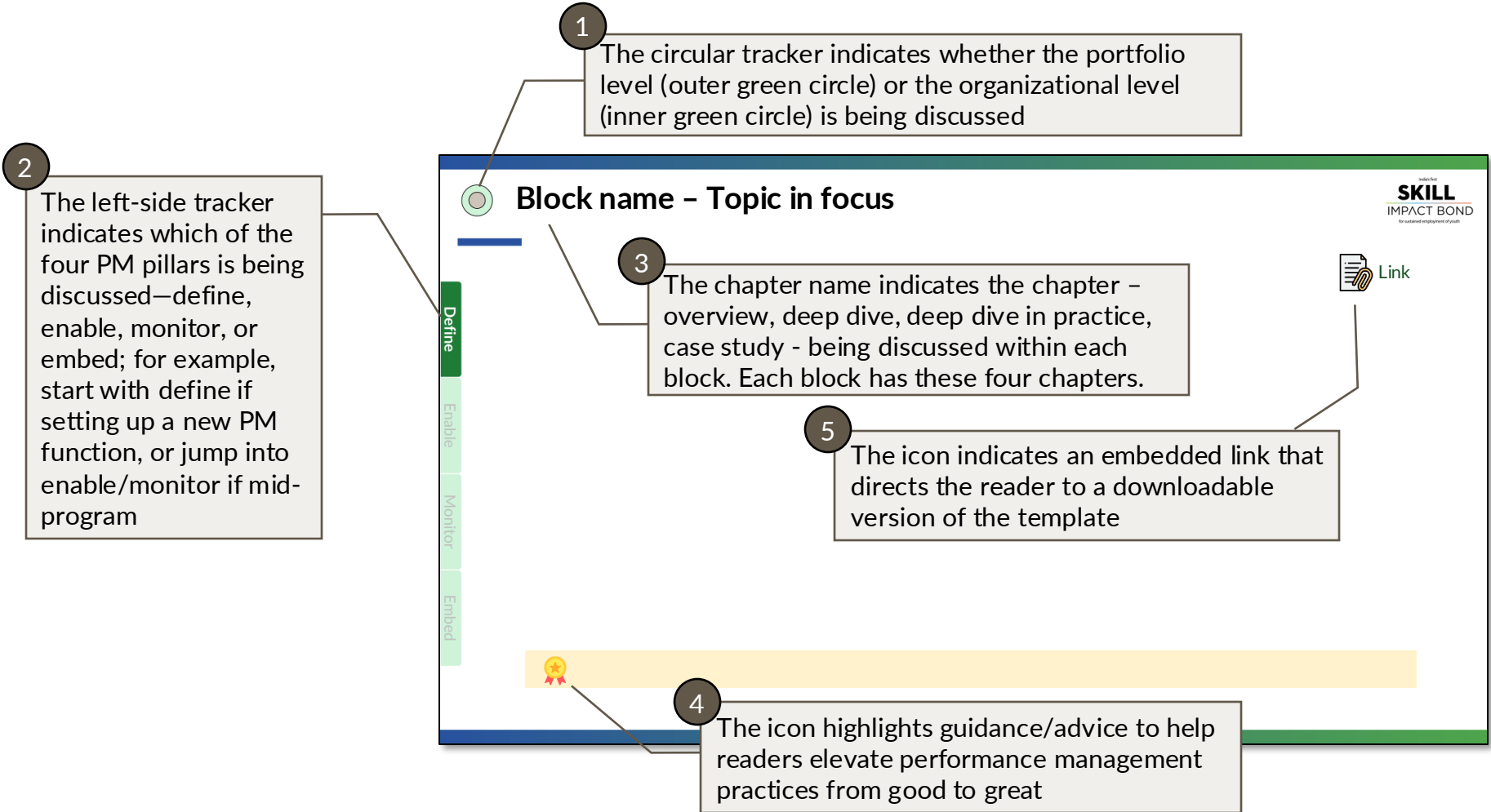
# The circular model ensures that each pillar translates into layer-specific actions

Layer/ Pillar	1. <b>Define</b> implementation strategy and set up systems	2. <b>Enable</b> organisations to deliver effectively	3. <b>Monitor</b> and diagnose progress	4. <b>Embed</b> learning for improvement and ecosystem growth
<b>Portfolio</b> <i>(ensuring program outcomes are achieved)</i>	<ul style="list-style-type: none"> <li>• <b>PM strategy:</b> PM principles, priority areas for the pre-defined outcomes, portfolio KPIs, IO selection</li> <li>• <b>PM governance:</b> Stakeholder roles/relations, reporting formats and cadences, escalation pathways, data architecture and verification protocols, financial management tools</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Leadership engagement:</b> Leadership discussions, leadership development and cross-leader engagement, focus on performance culture</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Outcome monitoring and verification*:</b> Outcomes tracking, cross-org comparisons, sample verification, stakeholder updates</li> <li>• <b>Cashflow monitoring and forecasting:</b> Cashflow and returns tracking, projections, stakeholder updates and decisions</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Cross-learning:</b> Cross-consortium learning, portfolio pilots, ecosystem knowledge products</li> </ul>
<b>Organisation</b> <i>(setting IOs up for successful execution)</i>	<ul style="list-style-type: none"> <li>• <b>Project planning:</b> Target allocation, implementation strategy and budgets, outcome and budget monitoring tools</li> <li>• <b>Risk management:</b> IO-customised risk management and risk tracking tools including safeguarding monitoring and reporting, and verification protocols</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Capacity strengthening:</b> Initiatives to address capacity gaps (e.g., HR, finance) and build delivery skillsets (e.g., quality, agility, data analysis)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Delivery and risk monitoring:</b> IO-level delivery tracking across the value chain, root cause analysis of performance, ongoing adaptation</li> <li>• <b>Cost monitoring:</b> Cost tracking and analysis</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Innovation and iteration:</b> Systemic/pivotal updates to IO delivery models, IO pilots to test innovations that enhance delivery or optimise processes</li> </ul>

\*Verification here refers to internal verification done by the PM for the investor, which is different from the verification of outcomes undertaken by an independent body for the funder

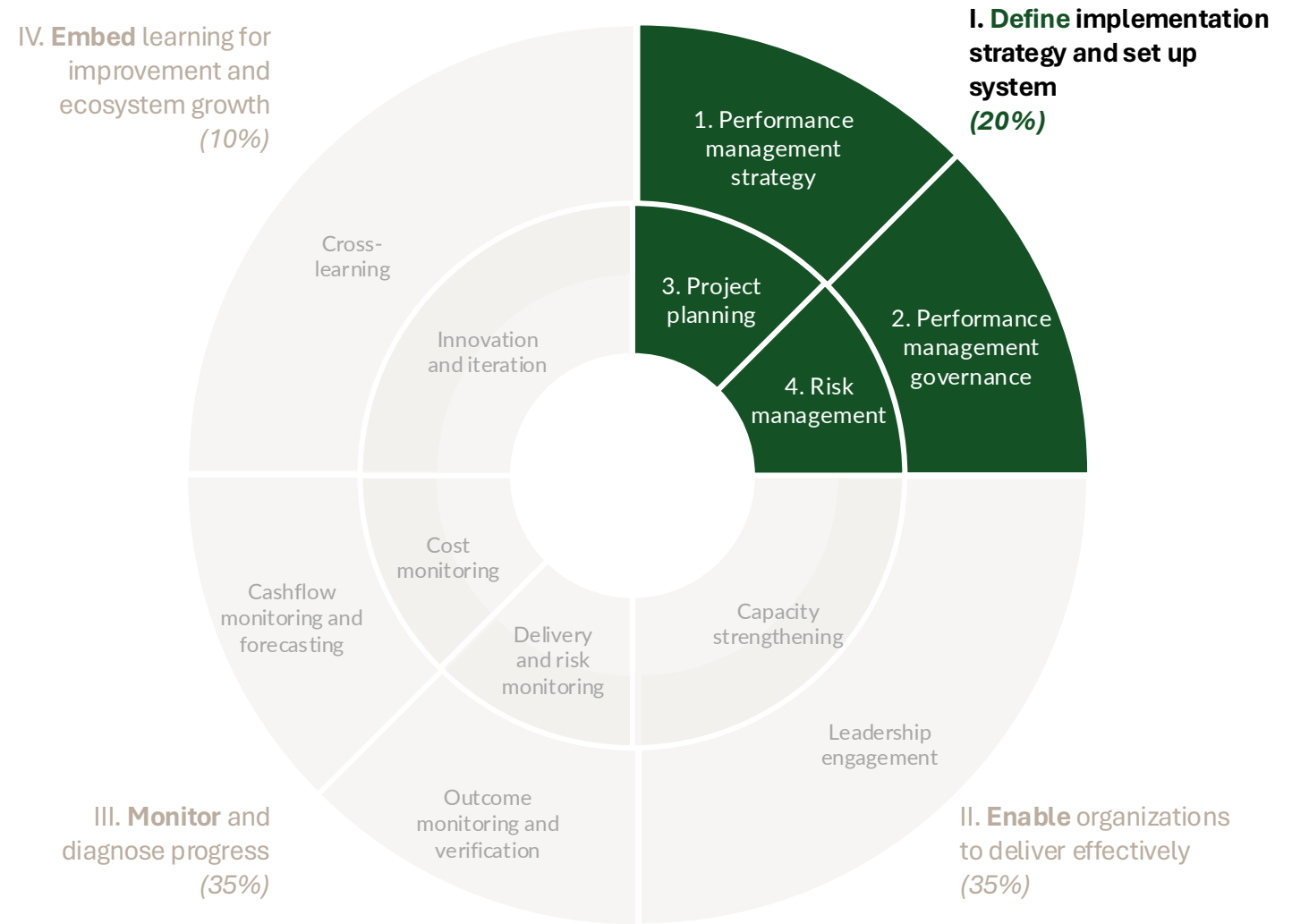
# This toolkit uses visual trackers and signposts to guide readers through the content in a structured way

## Navigating this document – page orientation



# 03

## Defining implementation strategy and setting up systems



# I. Define implementation strategy and set up systems (20% effort)

## Portfolio layer

## Organisation layer



### Purpose

Define a program performance management strategy—encompassing not just core payment-linked outcomes (e.g., placement, retention) but also guiding principles that go beyond outcomes (e.g., gender equity, focus on disadvantaged populations, innovation). Then, set up systems to operationalize this vision.

Translate performance expectations into organisational delivery strategies—spanning training models, target geographies, beneficiary profiles, sector and job roles, etc. Set up systems to track and drive progress, aligned with each organization’s unique strategies, strengths, and risks.

### Blocks

#### 1. PM Strategy

#### 2. PM Governance

#### 3. Project Planning

#### 4. Risk Management



### Key outputs

- ✓ Portfolio-level KPIs
- ✓ IO selection guidelines
- ✓ Performance review cadences
- ✓ Outcome monitoring tool
- ✓ Outcome-linked cashflow monitoring tool

- ✓ IO strategies and KPI targets
- ✓ Data reporting template
- ✓ Budget template
- ✓ Team structures and roles & responsibilities
- ✓ Risk tracking register with safeguarding reporting



*It's critical for the performance manager to invest adequate time on the set up to avoid re-working this later*

~ Risk investor



*While we always had an outcome focus within our organization...SIB brought a lot of rigor in outcome definitions, verification, etc., which increased confidence*

~ Implementing organisation



*The SIB performance manager helped IOs build hygiene and discipline around data management and reporting*

~ Implementing organisation



*We really appreciate the flexibility shown by the SIB performance manager...we were encouraged to evolve our strategies and targets according to ground realities*

~ Implementing organisation



1. Performance  
management  
strategy

3. Project  
planning

4. Risk  
management

2. Performance  
management  
governance

**Block 1:**  
**Performance  
management  
strategy**

# PMU strategy: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Lay out the foundation for how performance management will be undertaken
- Includes
  - defining performance management principles and strategic priorities,
  - selecting critical KPIs to monitor at the portfolio level, and
  - designing a process for selecting any new implementing organisations (IOs) for the program

## Why is it important?

- Aligns all stakeholders (investors, IOs, Steer Co) on the performance priorities and ensures clarity and consistency in decision making
- Focuses efforts on what matters most, avoiding low-value efforts
- Strengthens implementation quality by selecting the right set of IOs

## How to do it?

1. Define performance management principles
2. Define performance management priorities
3. Identify portfolio-level KPIs
4. Support the selection process for new IOs

# PMU strategy: A deep dive

Define

Enable

Monitor

Embed



- i. Define key principles to guide all activities under the performance management function, in alignment with broader program principles

- i. Identify priorities for performance management, i.e., what the function will focus on managing and enabling in the program (e.g., impact, resilience, innovation)

- i. Identify the most important KPIs to track at the portfolio-level, drawing from the broader payment-linked outcome framework and non-payment linked outcome priorities
- ii. Set internal targets for these KPIs, accounting for a safety buffer and internal ambitions

- i. Define the key capability requirements for IOs to be considered for the program
- ii. Design assessment tools to support any new IO selection—e.g., rubric to assess IO proposals, guiding questions for IO leadership interviews

**OUTPUTS:**  
List of codified performance management principles

Strategic priorities for performance management

Portfolio-level KPI framework

IO selection approach

 **Going from good to great!**

✓ Performance management priorities, IO selection criteria, etc. should evolve over time as program priorities and contexts inevitably change—do not treat these as rigid!

\*Some IOs are already selected in the program design phase. Most OBF programs also has the flexibility to add or change IOs, this is referred to as portfolio changes

# Deep dive 1 in practice: Define performance management principles

Define  
Enable  
Monitor  
Embed

## Overarching principles ensure that every action, decision, and relationship of the PM is anchored in a few core values

### What are performance management principles?

- ✓ Foundational beliefs/ guidelines that shape how the function operates
- ✓ Create a shared understanding with investors and IOs of what the performance manager stands for, promoting program-wide alignment
- ✓ Help **anchor design of all PM tools, processes, relations**
- ✓ For example, commitment to outcome orientation, data-driven decision-making, proactive risk mitigation, continuous learning



### What do performance management principles look like operationally?

PM principles	Description	How does it translate operationally
<b>Outcomes Orientation</b>	Keeps every IO focused on key “north-star” metrics/outcomes in the Theory of Change; prevents mission-drift	<ul style="list-style-type: none"> <li>• Lock 2-3 non-negotiable outcome metrics and embed them into implementation design, contracts, monitoring plans</li> <li>• Validate that every data source reliably feeds those metrics</li> </ul>
<b>Calibrated Prescriptiveness</b>	Balances set standards and guardrails with delivery flexibility so IOs can innovate	<ul style="list-style-type: none"> <li>• Share general rules around data reporting, verification, etc.</li> <li>• Prescribe tighter SOPs only where IO capabilities are low</li> <li>• Define areas where high-capability IOs are free to innovate</li> </ul>
<b>Proactive Risk Mitigation</b>	Treats risk as an upfront design choice and concentrates monitoring on threats most likely to derail outcomes	<ul style="list-style-type: none"> <li>• Identify top 3-5 cross-IO and IO-specific risks that are recurring and define warning signals/indicators for each</li> <li>• Pre-agree on mitigation levers (incentives, penalties, contingency funds)</li> </ul>
<b>Targeted Enablement</b>	Builds on existing IO assets (rather than re-creating) and focuses where there is the biggest “value-add”	<ul style="list-style-type: none"> <li>• Leverage each partner’s strongest assets—e.g., sector ties, tech stack, alumni networks</li> <li>• Focus PM support where there is the biggest incremental lift, to show additionality</li> </ul>
<b>Depth-Scale Trade-off</b>	Forces explicit choices between maximizing impact per beneficiary and expanding reach	<ul style="list-style-type: none"> <li>• Declare the current depth-vs-scale balance and embed it in planning tools and target sheets</li> </ul>

# Deep dive 2 in practice: Define performance management priorities

Define  
Enable  
Monitor  
Embed

## Performance management priorities clarify what the PM wants to drive *beyond* payment-linked outcomes

### What are performance management priorities?

- ✓ Key priorities that the **PM intentionally focuses on tracking, enabling, and improving** throughout the program
- ✓ Provide direction to the performance management function and ensure time is directed where there is greatest value

🏆 Performance management priorities are decided on the basis of pre-defined payment linked outcomes, consortium priorities and learning and innovation potential, ecosystem and sectoral needs



### SIB performance management priorities

Priority	Parameter	Description	How does it translate operationally
Impact	Gender	≥62.5% women retention across portfolio	<ul style="list-style-type: none"> <li>Higher weightage for IOs with strong gender outcomes</li> <li>Rebalance targets to offset underperformance</li> </ul>
	Sector	Greater retention in manufacturing and healthcare sectors	<ul style="list-style-type: none"> <li>IO scorecard assigns higher points to aspirational, high-growth sectors</li> </ul>
	Geography	Focus on underserved states (e.g., Bihar, Odisha)	<ul style="list-style-type: none"> <li>Target allocation favors IOs working in priority geographies</li> <li>Higher outcome cost allowance for these IOs</li> </ul>
	Demographics	Prioritise first-time job seekers, SC/ST candidates	<ul style="list-style-type: none"> <li>Incentives for IOs enrolling underrepresented groups</li> </ul>
Resilience	--	Lower risk of failure	<ul style="list-style-type: none"> <li>Diversity in intervention models prioritized during selection of IOs</li> </ul>
Outcome fidelity	Reporting compliance	Ensure data integrity and real-time insight	<ul style="list-style-type: none"> <li>Bonus eligibility linked to timely, accurate data submission</li> </ul>
Innovation	--	Encourage scalable, demand-led innovations	<ul style="list-style-type: none"> <li>IO scorecard assigns higher points for testing new models or approaches</li> </ul>
Cost	Cost of impact	Driving cost efficiencies, stabilising outcome costs	<ul style="list-style-type: none"> <li>IO scorecard includes cost-efficiency metrics (e.g., expected cost per outcome)</li> </ul>

# Deep dive 3 in practice: Identify portfolio-level KPIs

Prioritizing a subset of KPIs\* for periodic tracking at the portfolio-level helps make monitoring efforts more targeted and strategic

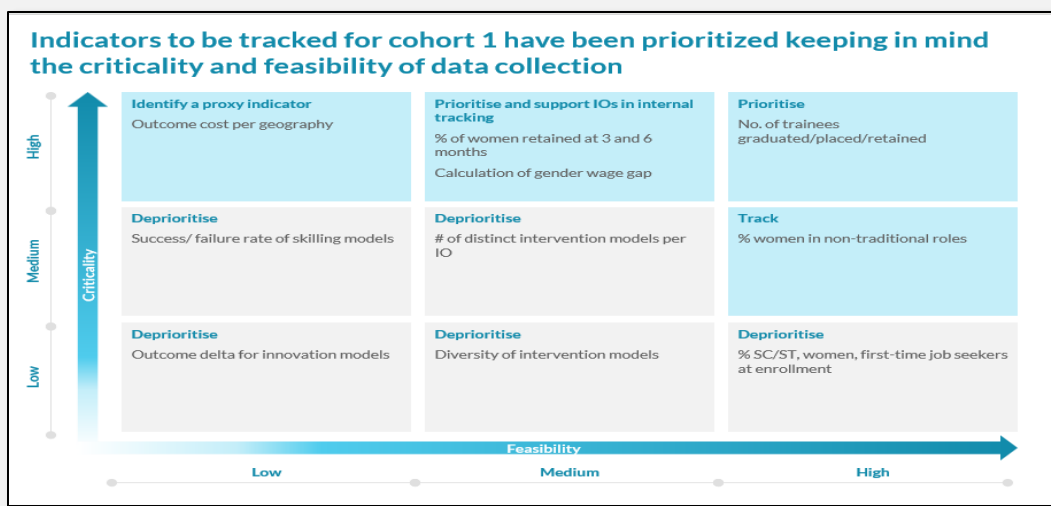
Define

Enable

Monitor

Embed

## Matrix to help prioritise KPIs, thereby targeting data collection efforts



## Illustrative rationale for prioritisation/deprioritisation of KPIs

### Prioritised

- **Number of trainees graduated/placed/retained**
  - Critical as it's central to the program's core outcomes
  - Feasible since IOs are already tracking these for reporting and verification
- **Percentage of women retained at 3 and 6 months**
  - Critical as it helps pinpoint gaps affecting women given that gender is a core part of the outcomes
  - While this required disaggregated data collection mechanisms, it becomes feasible with setting up data reporting and collecting template for the IOs

### Deprioritised

- **Outcome delta for innovation models**
  - Less critical as it is a few steps removed from the program's core outcomes (not directly tied to placement/retention)
  - Lower feasibility as it is high in effort (e.g., need additional effort in conducting observations, interviews, etc. and synthesising of qualitative feedback)

**Criticality** refers to how essential an indicator is to understanding program success or driving strategic decisions at a particular stage in time.

**Feasibility** refers to how realistically and consistently data on a given indicator can be collected and tracked, based on available systems at that stage of the program

🌟 Not all KPIs are born equal—this framework helps ensure portfolio-level KPIs are both critical (i.e., linked to main outcomes, could become a key risk, aligned with PM priorities) and feasible (i.e., should yield high return on effort) to track

🌟 KPIs don't solely include outcomes- they contain a mix of inputs, outputs and outcomes that are tracked through the course of the programme

\*List of KPIs is derived from both payment-linked outcomes and non-payment-linked outcomes. The former are often laid out in the initial design phase

# Deep dive 3 in practice: Identify portfolio-level KPIs

KPIs evolve basis the evolving needs and maturity of the program and program partners

## Illustrative Core KPIs (consistent across cohort) for SIB

KPI	Sample targets	Rationale for inclusion as KPI
Retention Rate	60% by end of program	Primary outcome of the SIB, reflects program's success in sustaining employment
Certification Rate	91% by end of program	Primary outcome of the SIB, reflects program's success in training individuals
Placement Rate	74% by end of program	Primary outcome of the SIB, reflects program's success in providing employment
Gender Participation	62.5% are women	Focus on improving inclusion and diversity outcomes
Outcome Cost per Candidate	KPI tracked for learning; no target	Key to assess cost-efficiency for investor and program scaling
Reporting Compliance	100% document accuracy & <10% discordance reported	Ensures data integrity and outcome verification

## Illustrative Cohort-Specific KPIs Introduced and retained over time in SIB

Cohort	New KPI Introduced	Indicative KPI and targets set for SIB
Cohort 2	Job Diversity for Women	Ensure placements in diverse non-traditional job-roles, and <ul style="list-style-type: none"> <li>Increase % of women enrolments in non-traditional job roles to at least 50% within 2 cohorts.</li> </ul>
Cohort 3	Demand-Driven Placement %	Push for demand driven models for stronger retention. <ul style="list-style-type: none"> <li>For IOs following a demand driven model, ensure at-least 50% of batches are demand-led in Cohort 3 with 10% increments for each subsequent cohort.</li> <li>For IOs following a non-demand driven model, ensure 20% of batches to be demand led in Cohort 3 with 20% increments for each subsequent cohort.</li> </ul>
Cohort 4	% difference between input and outcome cost	Introduced bonus triggers for cost-efficiency improvements <ul style="list-style-type: none"> <li>Bonus triggers based on a difference of less than 65% between input and outcome cost (translating to &lt;35% attrition across value chain)</li> </ul>
Cohort 5	Discordance % for reported outcomes	Ensure two-factor (candidate + employer) verification and HQ level checks for robust outcomes reporting <ul style="list-style-type: none"> <li>Less than 5% verification discordance at retention</li> </ul>
Cohort 6	No new KPIs introduced to stabilize portfolio performance as SPs continued to work increasing efficiency of internal verification mechanisms	
Cohort 7	Geographic diversity and Aspirational job roles	Enable outcomes testing for new geographies and adding higher NSQF level job-roles to the portfolio <ul style="list-style-type: none"> <li>Increase SIB's coverage to three new states and introduce at least one higher skill course</li> </ul>
Cohort 8	No new KPIs introduced in the last cohort	

The **core KPI's** are consistent across all cohorts. **Cohort-specific KPIs** are introduced over time depending on the priorities of the program and capacity of the IOs to deliver on these KPIs. These KPIs are also retained for further cohorts

# Deep dive 4 in practice: Support the selection process for new IOs

Define

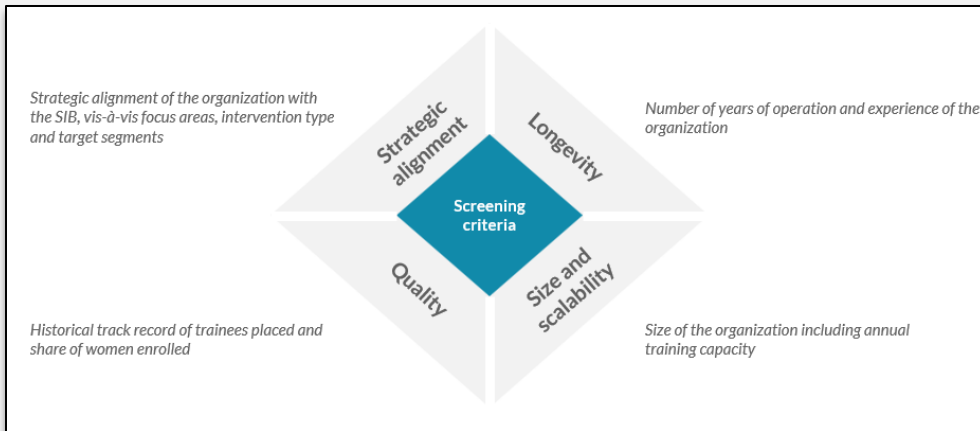
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## Selection criteria for new IOs balances must-have capabilities with portfolio diversity

### SIB key capability requirements for IOs



- These are **non-negotiable/first filter criteria** that all prospective IOs need to meet to be considered for the program
- Only IOs that meet the benchmarks for these requirements should progress to the detailed evaluation (or even apply in the first place, if these are embedded in the eligibility requirements)



### SIB considerations for portfolio composition

1	<b>Intervention model</b>	Diversity of skilling interventions to provide an opportunity to test models which drive quality outcomes at low costs. For e.g., residential vs non-residential training, classroom vs virtual training
2	<b>Innovation/unique feature</b>	Unique design features which can be implemented by others if successful in the SIB. For e.g., skill loans
3	<b>Geographic spread</b>	Spread of the portfolio across geographies to ensure pan-India coverage of the portfolio
4	<b>Sectoral spread</b>	Spread of the portfolio across sectors to ensure coverage of different high potential sectors with a particular focus on women-oriented sectors

- IOs should not just be individually strong but also **collectively diverse, to ensure an overall strong portfolio**
- Based on specific program goals, different aspects need to be checked for diversity (e.g., sectors, geography)

# Deep dive 4 in practice: Support the selection process for new IOs

Define

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Embed

## Assessment matrices help with the systematic and objective evaluation of all eligible IOs

SIB weighted assessment matrix to evaluate IO proposals



Key theme	Sub-theme	Key questions for assessment
<b>Impact (36%)</b> (How likely is the TP to achieve key impact metrics and repeat the intervention after the SIB?)	Ability to reach TG, especially women	<ul style="list-style-type: none"> <li>How likely is the TP to reach women as per the SIB's requirements?</li> <li>To what extent can the TP reach beneficiaries within 18-40 years of age, unemployed, possessing undergraduate or lesser degrees?</li> </ul>
	Ability to achieve key impact metrics	<ul style="list-style-type: none"> <li>To what extent can the TP reach target beneficiary size as required under the SIB?</li> <li>How likely is the TP to achieve retention outcomes?</li> <li>How likely is the TP to provide quality employment?</li> <li>To what extent are interventions focused on sectors with high demand potential and which are oriented towards women?</li> </ul>
	Repeatability of intervention	<ul style="list-style-type: none"> <li>How able and likely is the TP to repeat the intervention after the SIB lifecycle?</li> </ul>
<b>Cost (10%)</b> (What are the proposed costs and cost efficiencies over time?)	Cost per beneficiary retained in the intervention	<ul style="list-style-type: none"> <li>What is the cost per beneficiary retained?</li> </ul>
	Proposed mechanisms for achieving costs lower than INR 25k per beneficiary	<ul style="list-style-type: none"> <li>Has the TP proposed any mechanisms to achieve lower costs? If so, how strong are these mechanisms?</li> </ul>
	Proposed mechanisms for improvement in cost efficiencies	<ul style="list-style-type: none"> <li>Has the TP proposed mechanisms for improving cost efficiencies over the SIB lifecycle? If so, how strong are these strategies?</li> </ul>
	Amount and use of co-funding, if any	<ul style="list-style-type: none"> <li>If proposed, how justified are the uses of co-funding? How stable are the sources of co-funding?</li> </ul>

Key theme	Sub-theme	Key questions for assessment
<b>Fit (20%)</b> (How aligned is the TP with key priorities of the SIB?)	Degree of innovation in the proposed intervention	<ul style="list-style-type: none"> <li>How innovative is the proposed intervention?</li> </ul>
	Resilience to Covid	<ul style="list-style-type: none"> <li>To what extent is the model Covid resilient (method of training delivery, etc.)</li> </ul>
	Strategic fit with the SIB's goals	<ul style="list-style-type: none"> <li>How aligned is the TP's ToC with the ethos and goals of the SIB?</li> </ul>
	Direct influence of RIs on TP	<ul style="list-style-type: none"> <li>Do any of the RIs have direct influence over the TP to drive greater impact?</li> </ul>
<b>Org strength (30%)</b> (How strong are the org's general capabilities and how flexible is it to adapt to the SIB's needs?)	Financial strength of the organization	<ul style="list-style-type: none"> <li>How strong and stable are the organization's sources of funding? In case of for profits, is the TP consistently profit-making?</li> </ul>
	Strength of governance structures	<ul style="list-style-type: none"> <li>How strong and clear are existing governance structures? How experienced is the leadership team?</li> </ul>
	M&E capabilities of the organization	<ul style="list-style-type: none"> <li>Has the TP conducted any M&amp;E activities? What is the quality of existing data and M&amp;E systems?</li> </ul>
	Strength of the leadership team	<ul style="list-style-type: none"> <li>Does the organization have an experienced leadership team, including promoters and senior management team members?</li> </ul>
	Flexibility to adapt to the SIB's needs	<ul style="list-style-type: none"> <li>How flexible and nimble is the organization to adapt to the SIB's needs throughout?</li> </ul>
<b>Proposal clarity (4%)</b> (Is the proposal clear and easy to understand?)	Clarity of proposal	<ul style="list-style-type: none"> <li>How clear is the proposal overall?</li> </ul>

- This matrix, used to evaluate IO proposals, was organized by key themes, sub-themes, and assessment questions; **themes were weighted according to program priorities and risk tolerance**
- A detailed **scoring criteria** accompanied the matrix, ensuring scoring is as standardised as possible across evaluators
- All scores along with a rationale were recorded systematically in a scorecard, and scores were aggregated to make the selection
- Following the assessment stages (proposal, interviews, etc.), the PM undertook **high-level due diligence** (e.g., review scale-up plans, conduct operational readiness spot checks) for shortlisted IOs before confirming their participation



Weights across proposal assessment themes are not set in stone—in fact, they were evolved in later SIB cohorts, as program priorities evolved

# PMU strategy: A case study

Define

## Using Outcome Prioritization to Advance Women’s Participation in Non-Traditional Job Roles

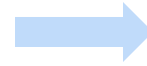
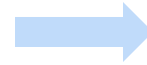
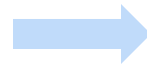
**Context:** In SIB, the IOs took on targets for women’s participation. However, in taking the path of least resistance, this meant that most female trainees were being placed in the apparel sector, raising concerns about the equity of employment outcomes for women. Literature review showed that sectors with a high concentration of women often offered lower wages and limited upward mobility.

### What we did:

The performance manager, having aligned on the criticality of this aspect with all stakeholders, applied a strong gender lens and included “women’s participation in non-traditional job roles” as a key portfolio-level metric, despite it not being a formally contracted metric at the Bond level.

#### Change

- Applied a gender lens across all performance management priorities (e.g., job roles, geographies), rather than a dedicated vertical alone
- Filtered for gender outcomes in selecting organizations by including gender in the assessment matrix
- Introduced disaggregation of data by gender across the delivery value chain, along with a focus on gathering qualitative feedback from female candidates



#### Output

- For job roles, IOs were encouraged to focus on diversity of job roles for women, equal wages, and career progression; similarly, IOs considered how different geographies may impact women’s participation
- A greater number of IOs proposals showcased gender-focused strategies, such as non-traditional job roles for women, transport amenities, improved wage profile
- IOs tracked data on women being trained and placed especially in non-traditional job sectors, including diagnosing reasons for drop-outs and refining strategies (e.g., employer profiles)

**Impact:** This led to an increase in the proportion of women being placed in non-traditional sectors such as manufacturing (4% in C1 to 15% in C6) and services (43% in C1 to 50% in C6). Moreover, there was an increase in wage levels for women, across both traditional sectors (13% increase in apparel) and non-traditional sectors (21% increase in both manufacturing and services sectors).

Enable

Monitor

Embed



**Block 2:**  
**Performance management governance**

# PMU governance: An overview

Define

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## What does it include?

- Clarify stakeholder roles and relationships w.r.t. performance management, and define issue escalation/ resolution protocols
- Also includes set up of the program's data architecture and verification processes, safeguarding monitoring and reporting and cashflow management principles and rhythms

## Why is it important?

- Builds clarity and accountability across a diverse set of stakeholders
- Facilitates timely addressal of issues posing significant risk
- Enables robust data and financial management

## How to do it?

1. Establish key roles, review cadences and formats
2. Define issue escalation and resolution pathways
3. Set up the data architecture and verification approach
4. Define cashflow management principles

# PMU governance: A deep dive

Define

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- i. Chart out stakeholder roles and relationships related to performance management
- ii. Define review cadences and objectives (e.g., milestone validation, payment authorisation)
- iii. Standardize review, deviations and decision-making processes through guidelines/templates

- i. Define what constitutes serious issues, (e.g., ethical breaches, fraud, key risks as detailed out in later sections), escalation triggers, and resolution pathways (e.g., channels and protocols)
- ii. Support the transaction manager with performance management clauses in IO contracting

- i. Set up the program data architecture—reporting portals, data monitoring tools, risk monitoring and safeguarding monitoring tools etc.
- ii. Define a verification approach for portfolio-level KPIs—what to verify and how, how to escalate discordance, etc.

- i. Define key requirements and guardrails for program cashflow management (e.g., return caps, funder/recipient-specific constraints)
- ii. Set up cashflow monitoring tools, and define cadences for updating cashflows, evolving model forecasts, etc.

**OUTPUTS:**

Stakeholder chart and guidelines for review processes

Portfolio-level issue escalation matrix

Data reporting portals and templates, verification flowcharts

Cashflow management financial model and monitoring tools



**Going from good to great!**

✓ Review processes, rather than instilling compliance fear, should encourage transparency, problem-solving, and learning—enabling more proactive reporting of failures and issues from IOs

# Deep dive 1 in practice: Establish key roles, review cadences & formats


Define  
Enable  
Monitor  
Embed

## The PM interacts with various stakeholders, to coordinate on issues, performance data and risks, payments

### SIB governance structure for performance management

Stakeholder	From the PM	To the PM
Outcome Funder	<ul style="list-style-type: none"> <li>Calculating payment amounts</li> <li>Updating on issue resolution</li> </ul>	
Risk Investors	<ul style="list-style-type: none"> <li>Calculating payment amounts</li> <li>Reporting on progress and risks</li> <li>Updating on issue resolution</li> </ul>	<ul style="list-style-type: none"> <li>Overseeing the PM's work</li> </ul>
IO	<ul style="list-style-type: none"> <li>Monitoring progress and risks</li> <li>Providing capacity and advisory support</li> <li>Internal sample verification of outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Escalating issues and risks</li> <li>Raising timely requests</li> </ul>
Evaluator	<ul style="list-style-type: none"> <li>Providing internally validated and spot-checked performance data</li> <li>Inputting into evaluation design</li> </ul>	

- This table showcases the PM's interactions with SIB stakeholders—e.g., oversight to IOs, reporting to investors and funders and calculating their payments, data sharing with the evaluator
- The performance manager is not responsible for setting up the overall program governance structure\*, this is typically already set up in the bond design phase

 A table like this helps clarify stakeholder roles, responsibilities, relationships—leading to effective coordination; the PM governance chart should be embedded within the broader program governance structure to ensure alignment

\*Program governance refers to the strategic oversight and program architecture (e.g., key roles and responsibilities of all stakeholders, contracting, outcome definitions, financing flows, etc.) established during the design phase of an OBF program, mainly led by the transaction manager.

# Deep dive 1 in practice: Establish key roles, review cadences & formats

Define

Enable

Monitor

Embed

## The PM also aligns all stakeholders on portfolio-level reporting cadences, ensuring timely processes/actions

### Illustrative portfolio-level reporting cadences

	Report	Submitted to	Frequency	Preparer	Description
Reports for funder reporting requirements / SIIB operational updates	Quarterly performance report	<ul style="list-style-type: none"> <li>Grantors</li> <li>Transaction Manager</li> <li>Technical Funders</li> </ul>	Quarterly	PM/ Funders	Updates on cohort performance, budgets, risks, decisions. The last quarterly report every year can be the Annual Report
	Risk register update reports / Safeguarding report	<ul style="list-style-type: none"> <li>Steering Committee</li> <li>Grantors</li> <li>Technical Funders</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>Programmatic/ safeguarding risk register: PM/ Funders</li> <li>Overall transaction risk register: TM</li> </ul>	Assessment of all risks associated with programmes, people and operations of each IO related to the scope of work conducted under SIIB
Governance reports for Steering Committee/ decision making	Annual report	<ul style="list-style-type: none"> <li>Funders</li> <li>Grantors</li> <li>Transaction Manager</li> <li>Technical Funders</li> </ul>	Annually	<ul style="list-style-type: none"> <li>Program update: Funder/ PM</li> <li>Overall verification report: Evaluator</li> <li>Overall transaction update on wider learnings</li> </ul>	Summarizing overall progress of SIIB, key issues, plan for the next year, etc. This report should have learning update from the year
	Evaluation report	<ul style="list-style-type: none"> <li>Grantors</li> <li>Transaction Manager</li> </ul>	Semi-annual	Evaluator	Verification Reports from OPM confirming performance of IO against targets to confirm Donations.
	Financial report	<ul style="list-style-type: none"> <li>Grantors</li> </ul>	Semi-annual	Performance Manager	Verification Reports from OPM confirming performance of Training Providers against targets to confirm Donations. This includes any initial baseline reports and regular reports to trigger payments)
	Independent Review of the SIB Financial Model	<ul style="list-style-type: none"> <li>Grantors</li> </ul>	At the end of the program	Transaction Manager	To enable an independent review of financial model and payment amounts
Wider Learning / Dissemination in the ecosystem	Annual Learning reports	<ul style="list-style-type: none"> <li>Steering Committee</li> <li>Technical Funders</li> <li>Wider Ecosystem</li> </ul>	Annually	Evaluator/ Transaction Manager/ PM	Documentation of key process and other learnings of stakeholders
	Communications and advocacy reports, press releases	<ul style="list-style-type: none"> <li>Wider ecosystem</li> </ul>	As required	Learning partner /PM	All external comms material for the purpose to advocacy, mainstreaming, diffusion of ideas, etc.

- This was the comprehensive list of reporting requirements under SIB—for funder reporting/operational updates, Board decision-making, and ecosystem dissemination
- This matrix clearly shows the preparers/ recipients and frequency of reports, helping ensure timely compliance
- In parallel, the PM sets activity and reporting deadlines for all IOs, so that IO-level reporting is aligned with and often ahead of these portfolio-level reporting cadences

- 🏆 This matrix could be improved by mapping reports to the “decisions/ actions” that will be enabled
- 🏆 Aligning timelines across reporting processes helps avoid duplication of efforts or slippage

# Deep dive 1 in practice: Establish key roles, review cadences & formats

Define

Enable

Monitor

Embed

## The PM tracks and lays out the process for approving the deviations in the program plan

### Illustrative Change-log

 [Change log](#)

Sl .N o.	Name of Cohort	Change required	IO/SIB Issue	Date of first proposal	Change initiated?	Change applied on	Follow-up action required	Rationale for decision	Potential effects on change on outcomes
1	Cohort- 1	Change in job role targets	IO1	17 January 2022	Approved	17 January 2022	None	Demand driven mobilization and placements necessitated the change in job role targets.	<ol style="list-style-type: none"> <li>1. Did not affect transition rates</li> <li>2. Did not affect gender ratio</li> <li>3. Did not affect price per outcome</li> </ol>
2	Cohort-2	Approval for 3 batches with less than 20 students batch size	IO3	25 July, 2022	Pending	25 July, 2022	RI approval	The time-bound mobilization and demand aggregated for the particular batch/location resulted in initiating the batch less than 20 in size.	<ol style="list-style-type: none"> <li>1. Did not affect transition rates</li> <li>2. Did not affect gender ratio</li> <li>3. Did not affect price per outcome</li> </ol>

- All the changes required and requested by the IOs that require deviations from their project plans and or SIB requirements are tracked in a changelog by the performance manager
- The change log tracks the cohort and IO of the change, the decision made on the change request, the timeline of the change and Rationale for action along with potential effects
- The changes are also discussed and decided if they need to be implemented for future cohorts of that IO, or to be implemented for the all the IOs in the programme



Track the outcomes and the scalability of the changes for future updates

# Deep dive 1 in practice: Establish key roles, review cadences & formats

Define

Enable

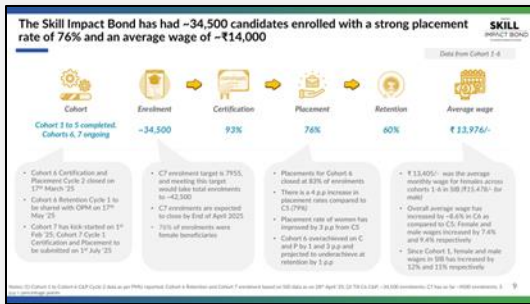
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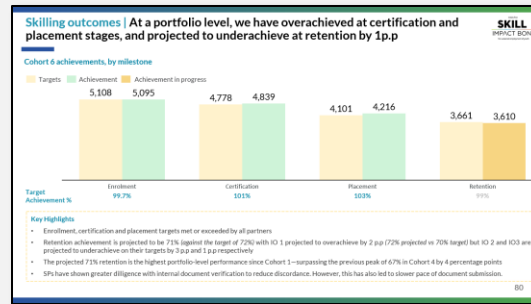
Using insightful templates, the PM helps stakeholders cut through the noise and focus on key data, pressing risks, and pertinent decisions

## SIB funder/investor reporting templates

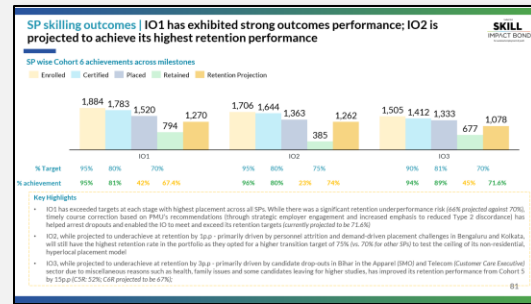
a) Program performance snapshot



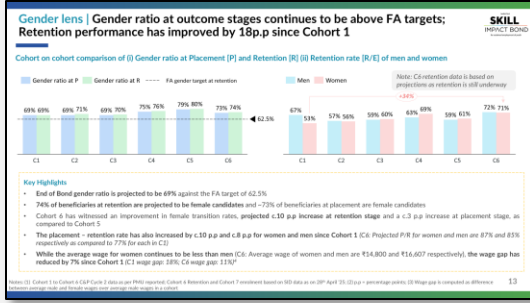
b) Cohort portfolio update



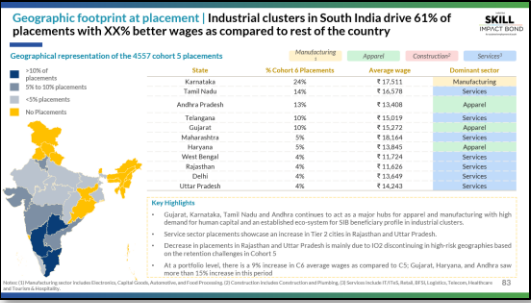
c) IO performance update



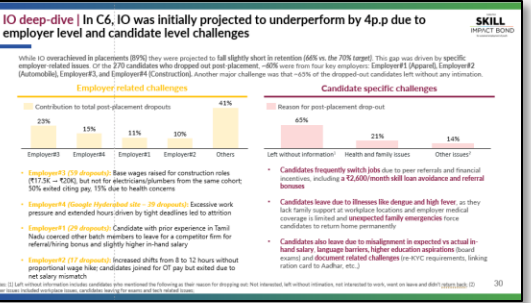
d) Gender outcomes



e) Geographic and sectoral trends



f) IO risk update



Match the message to the audience—show only what drives their next decision; e.g., one-page snapshots for boards or funders, deep-dives for operational teams

Lead with insight, not raw data—start with 1-2 key takeaways (e.g., retention up +7 pp), with charts and tables in supporting roles

Lock templates to a cadence (e.g., monthly portfolio, quarterly cohort, ad-hoc risk alert), so stakeholders know what to expect and when

# Deep dive 2 in practice: Define issue escalation & resolution pathways

Define

Enable


Monitor


Embed

Escalation protocols ensure that serious issues get immediate attention, circumventing routine reporting and reviews

Issue identification, escalation and resolution matrix—for issues raised by the PM directly or IOs (via the PM)

Issue Type	Escalation Trigger	Required Documentation	Resolution Lead	Resolution Timeline	Resolution Options
<b>Ethical breach</b>	Allegation of misconduct (e.g., discrimination, harassment)	Incident report, witness accounts, safeguarding logs	Independent Committee appointed by Steering Committee	Indecent report – within 5 business days. Resolution timeline – to be determined by committee.	Disciplinary action, safeguarding review, training mandate, contract clause trigger
<b>Fraud or misreporting</b>	Evidence or suspicion of falsified outcomes or financial misuse	Data discrepancies, audit trail, financial logs	PM/evaluator (based on point of origin of the report)	Indecent report – to Steer Co within 5 business days. Resolution timeline – to be determined by Steer Co.	Outcome clawback, payment suspension, external audit, legal escalation
<b>Contractual violation</b>	Breach of program terms (e.g., reporting failures, SOP neglect)	Contract clause, email trails, SOP deviation logs	Legal Counsel	Within 14–21 days	Formal notice, compliance action plan, penalties, partial funding freeze
<b>Abysmally low performance</b>	KPI falls below pre-defined floor (e.g., <40% placement)	Outcome dashboard, IO reporting, cohort tracker	Risk Investor	Within 7 days	Performance improvement plan, partial reallocation of funds, leadership-level review
<b>Data integrity concerns</b>	Repeated mismatches in reported vs. verified data	Verification logs, discrepancy records	PM + evaluator + IO	Within 10 days	Data audit, IO capacity building, data SOP reinforcement, warning letter
<b>Safeguarding issue</b>	Reports involving harm to beneficiaries or vulnerable groups	Incident report, safeguarding protocol breaches	PM + Independent Safeguarding consultant appointed	Immediate (within 48 hrs)	Suspend activity, external investigation, donor notification, protective response

 Align all stakeholders—especially IOs—on such a matrix in onboarding sessions and reiterate in key meetings

 Keep the matrix live, by reviewing it frequently and updating it when roles or risk profiles shift

**Note:** Most protocols flow downstream from the main outcomes contract between the investor and the IOs. The PM helps in operationalizing these as required

# Deep dive 3 in practice: Set up the data architecture & verification approach

## The program data architecture primarily lays out how data will be recorded and stored

### SIB's three-layered data architecture

Under data architecture, every programme should have a three-part structure: portal, data templates and customised tools.

- The portal acts as a one stop information hub for all the outcomes disaggregated by key priorities.
- The data templates allow real-time updates to help with early detection.
- Additional tools for a programme will depend on the kind of data generated and the capability of stakeholders inputting and managing the data

Data architecture also includes defining data reporting and recording protocols, along with alignment on data hygiene checks

1

**SIDH portal\***: Candidate date, batch details, data on outputs (e.g., attendance, certification) and outcomes (e.g., status of placement, job role) were uploaded on this portal and later verified by the PM and evaluator

	Summary of Contents	Reporting timelines
<b>Trainee</b>	<ul style="list-style-type: none"> <li>Contact &amp; ID Proof, Demographic and Social details, Family Details, Education Status, Work Experience</li> </ul>	Within 7 Calendar days of start of each batch
<b>Batch &amp; Enrolment</b>	<ul style="list-style-type: none"> <li>Enrolment ID, Centre &amp; Location, Course Details, Batch Start &amp; End dates, Trainer Details, Assessment Agency</li> </ul>	Within 7 Calendar days of start of each batch
<b>Training and Certification</b>	<ul style="list-style-type: none"> <li>Attendance, Assessment Status, Assessor details, Certification Details</li> </ul>	Within 7 days of achievement of milestone
<b>Placement and Retention</b>	<ul style="list-style-type: none"> <li>Placement Status, Employment Type, Joining Date, Location, Wage, Employer Contact, Retention Proofs</li> </ul>	Weekly reporting of placement and bi-weekly reporting of retention

2

**Data templates**: In parallel, online reporting templates were deployed to provide a more real-time, ongoing picture of data and help with early diagnosis

Centre Location	Mobilized So far	% Target Achieve	Female	Male	Total Batches Stated	Batches on SID	Active		
							Total	Female	Female %
Training Center 1	137	69%	48	89	6	6	137	48	35%
Training Center 2	157	79%	49	108	6	6	157	49	31%
Training Center 3	45	90%	10	35	2	2	45	10	22%
Training Center 4	57	57%	20	37	2	2	57	20	35%
Training Center 5	101	101%	18	75	4	4	101	18	18%
Training Center 6	74	247%	14	60	3	3	74	14	19%
<b>Total</b>	<b>571</b>	<b>76%</b>	<b>159</b>	<b>404</b>	<b>23</b>	<b>23</b>	<b>571</b>	<b>159</b>	<b>28%</b>

IO data reporting

3

**Additional data tools**: Tools such as surveys were deployed for deeper analysis on metrics not directly tracked through the SIDH portal or data templates

Template	Summary of contents	Frequency
<b>Trainer survey</b> (To understand trainer's perception on key risks that are affecting outcomes)	<ul style="list-style-type: none"> <li>Overall feedback and pulse check</li> <li>Feedback on performance of the overall batch</li> <li>In case of poor performance) Reasons for poor performance</li> <li>In case of low attendance) Perception on reasons for low attendance</li> <li>Anything else that the trainer wishes to raise</li> </ul>	To be filled by each trainer at the completion of a batch
<b>Trainee survey</b> (To gather feedback from trainees on the quality of training)	<ul style="list-style-type: none"> <li>Overall feedback on pulse check</li> <li>Feedback on trainers and training delivery</li> <li>Feedback on curriculum and medium of training</li> <li>Any other concerns that the trainee wishes to raise</li> </ul>	To be filled by each trainee at the completion of each batch
<b>Employer survey</b> (To gather employer feedback on trainees and overall relevance of the training)	<ul style="list-style-type: none"> <li>Overall feedback on employees</li> <li>Quality of trainees interviewed</li> <li>Feedback on trainees' performance on the job</li> <li>Feedback on any skills that the trainees are missing</li> </ul>	To be filled once (at the end of cohort)
<b>Employee survey</b> (To gather employees' feedback on the overall working conditions and challenges they are facing)	<ul style="list-style-type: none"> <li>Overall feedback on the job</li> <li>Level of satisfaction with the job</li> <li>Safety of workplace conditions (hygiene, hours, environment)</li> <li>Any other problems that that the employee wishes to raise</li> </ul>	To be filled once (at the end of cohort)



Qualitative pulse checks (such as field visits and interviews) help surface additional context to data and catch blind spots

**\*About SIDH**: Skill India Digital Hub is an end-to-end digital platform developed by NSDC to facilitate discovery and access to skilling opportunities to candidates and act as a centralized data repository, capturing detailed information on programmes, trainees, outcomes, and credentials.

# Deep dive 3 in practice: Set up the data architecture & verification approach

## The data verification approach for portfolio-level metrics outlines the extent and process of verification undertaken by the PM to uphold data integrity

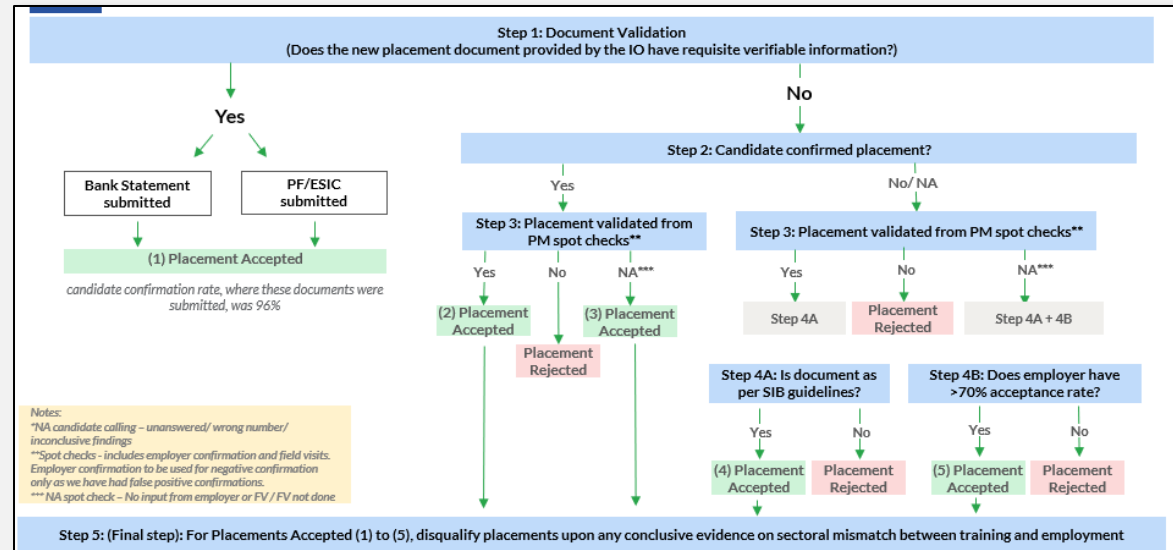
### SIB PM's role in verification

- In SIB, the PM was responsible for spot verifying data to check for format correctness and authenticity of proofs
- The PM submitted its findings to the external evaluator, who was responsible for more comprehensive verification efforts
- The PM's verification methods included document checks and telephonic verification for >10% and >1% of the total pool in each cycle respectively.
- Post verification responses included asking IOs for explanations, expanding verification samples, or escalating to investors—depending on intensity of data discordance



Developing and aligning on the decision-making approach removes ambiguity and chances of human error in the process

### SIB process flow for final placement validation



- This process flow for placement verification was a step-by-step decision-making chart to guide the PM's decision making on verification
- A placement was considered accepted or rejected based on a number of factors Key factors were document validation, spot checks, documentation per SIB guidelines, employer's past acceptance rates and sectoral matches

# Deep dive 4 in practice: Define cashflow management principles

## Program cashflow management principles balance the financial requirements and constraints of various stakeholders

The PM embeds requirements/constraints of stakeholders within the cashflow model; the PM need not build the model, if already created in the design phase



The PM sets key cadences for cashflow and returns monitoring

### Risk investor-related

- Return target range
- Return caps
- Preferred cashflow cadence
- Compliance or audit requirements
- Investor split

### Outcome funder-related

- Total outcome fund envelop
- Desired outcome prices
- Preferred cashflow cadence
- Compliance or audit requirements
- Funder split



### Implementing org-related

- Historical performance
- Allocations (by geography, sector, gender)
- Expected outcome costs
- Cash burn rate
- Absorptive capacity

### Program-related

- Disbursement structure (e.g., payments on a sliding scale)
- Impact goals (e.g., gender parity, geographical spread)
- Reserve funds for innovations or absorbing risks



Funder and IO characteristics are important to take into account for Investor's cashflow management; SIB faced complexities due to the Indian context around FCRA—e.g., IOs with FCRA restrictions could only receive funds from domestic investors

- ✓ Establish how often actual cashflows must be reported and by whom (e.g., monthly inflows/outflows from investors to IOs), and how often forecasts must be updated in the model
- ✓ Coordinate the timing of verification cycles, cohort delivery milestones, and payment schedules to ensure timely disbursements and align with IOs' operational cash needs
- ✓ Set investor review cadences to share updated return projections, fund utilisation insights, and any emerging risks

Define

Enable

Monitor

Embed



1. Performance  
management  
strategy

2. Performance  
management  
governance

3. Project  
planning

4. Risk  
management

**Block 3:  
Project  
planning**

# Project planning: An overview

Define  
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## What does it include?

- Define IO specific implementation strategy (delivery model, sector, geography, and cost structure)
- Disaggregated target allocation across milestones, gender, sector, geography, and other priority KPIs
- Alignment on delivery readiness and verification requirements

## Why is it important?

- Aligns IO-level delivery with portfolio goals
- Grounds targets in both programmatic ambition and IO capacity
- Builds early transparency on delivery expectations, improving buy-in and reducing future course-correction

## How to do it?

1. Co-develop IO implementation strategy
2. Allocate IO-level targets basis portfolio priorities and IO strengths
3. Share IO-implementation tools for outcome and cost monitoring

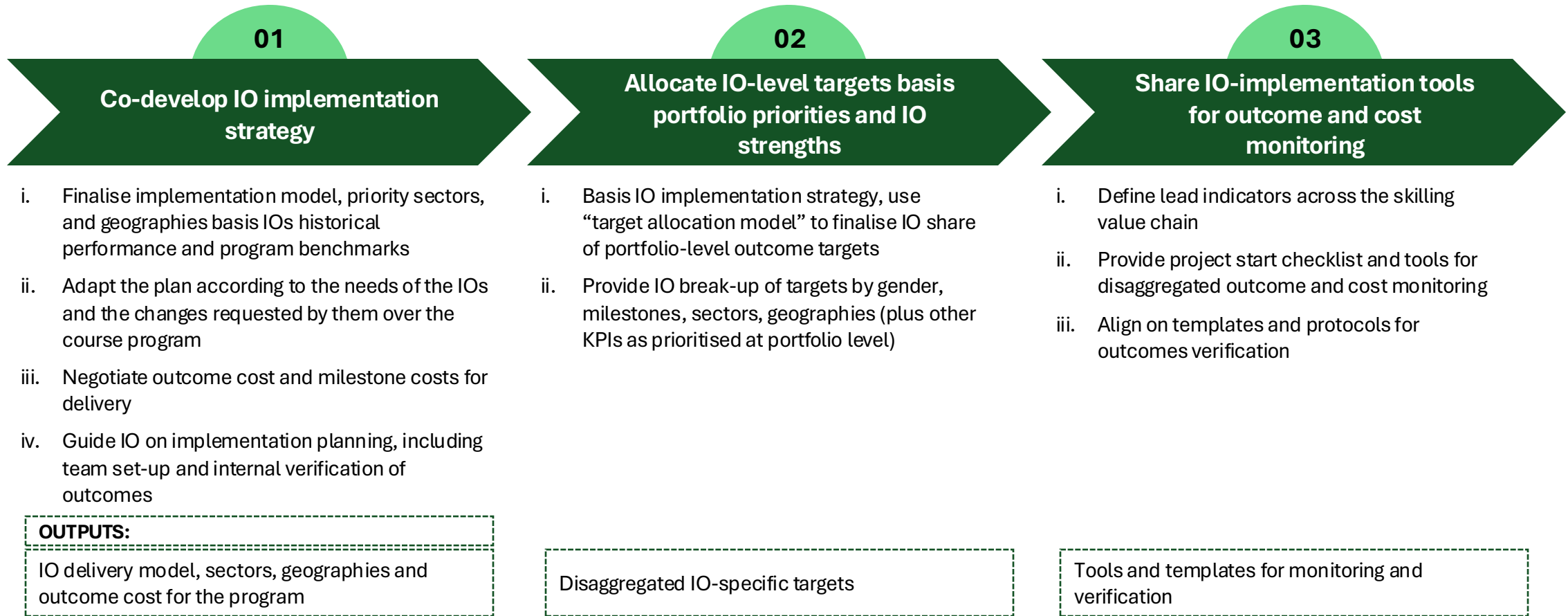
# Project planning: A deep dive

Define

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## Going from good to great!

- ✓ Ensure complementary strategies across IOs, so that there is broad coverage of implementing models, demographics, sectors etc .
- ✓ Flexible model of OBF programs allows the project plans to be co-developed and adapted to the needs of the IOs
- ✓ For the KPI framework, avoid a direct mapping to portfolio-level KPIs; instead prioritize what is material to the IO’s delivery model

# Deep dive 1 in practice: Co-develop IO implementation strategy

Define

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## The PM supports IOs in building role clarity and accountability to de-risk delivery and strengthen outcomes

### Recommended IO team responsibilities mapped across the delivery chain

Stage	Headquarters Team	Regional Team	Centre Team
Mobilization	PM – Strategy & Targets	Regional Lead – Conversion Monitoring	Mobiliser – Outreach Execution
Training & Certification	Training Head – Curriculum & Oversight	Trainer Coordinator – QA & Observations	Centre Trainer – Delivery & Attendance
Placement	Employer Lead – Anchor Partnerships	Placement SPOC – Employer Coordination	Placement Coord. – Prep & Interviews
Retention	Outcomes Lead – 30/60 Day Tracking	Retention SPOC – Attrition Monitoring	Counsellor – Alumni Engagement
Document Submission	MIS Head – Templates & Timelines	QA Lead – Checks & Follow-ups	Ops/MIS – Upload & Integrity
Outcomes Verification	Eval Liaison – Interface & Reconciliation	Field Officer – Evaluator Support	NA
Finance & Ops	Finance – Payout & Budgeting	Ops Lead – Budget Tracking	Centre Admin – Local Expense Records

- This structure enables IOs to define clear ownership at every stage of the delivery chain — optimizing resource allocation, improving coordination, reducing handover gaps, and ensuring accountability for outcomes.


🏆 Design for delivery — Define clear POCs for each stage to reduce ambiguity and enable faster course correction across teams.

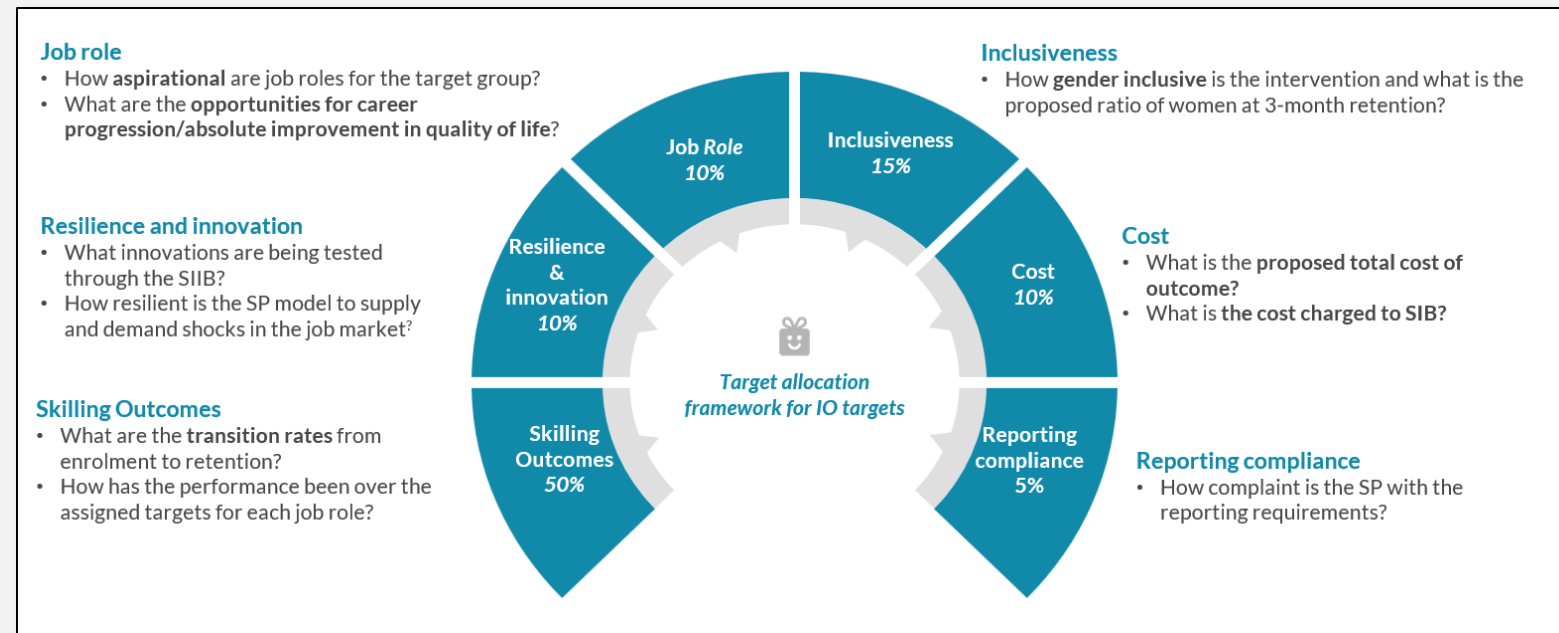
🏆 Match skills to accountability — Align staff roles with what they are best equipped to influence (e.g., use central ops for reconciliation, centre teams for field execution).



# Deep dive 2 in practice: Allocate IO-level targets basis portfolio priorities & IO strengths

Tailored target allocation ensures that the IOs have a target that is unique to their capabilities and sets them up for success

## SIB target allocation framework

 [Target Allocation Framework](#)



-  Create objective definitions within each component of the framework; e.g., objective definition for “aspirational” job roles can be linked to NSQF levels and graded scoring scheme should be created
- ✓  Weightage to components should evolve basis program evolution; e.g. reporting compliance should be a key component in initial implementation cycles

- This helped the PM arrive at a data-informed decision on IO target allocation in line with the performance management strategy and IO inputs

Define

Enable

Monitor

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# Deep dive 3 in practice: Share IO-implementation tools for outcome & cost monitoring

Define

Enable

Monitor

Embed

The PM, in partnership with IOs, defines lead performance indicators across the skilling value chain for the IO to track

## SIB lead indicators across the skilling value chain

Enrollment	Training (certification)	Placement	Retention
<ul style="list-style-type: none"> <li>Mobilization to enrolment conversion rate</li> <li>Time taken from mobilisation to batch start</li> </ul>	<ul style="list-style-type: none"> <li>Avg. trainee attendance rate (weekly)</li> <li>Student attendance</li> <li>Trainer attendance and feedback score</li> <li>% of trainees reaching assessment eligibility (e.g., 80% attendance)</li> <li>Trainer Perception Score on Quality of Candidate Mobilisation</li> </ul>	<ul style="list-style-type: none"> <li>% of certified candidates shortlisted for placement</li> <li>Offer-to-join conversion rate</li> <li>Avg. time between certification and placement</li> <li>Employer dropout rate (offers not honored)</li> </ul>	<ul style="list-style-type: none"> <li>% of placed candidates still employed at 30/60 days</li> <li>% of placed candidates with salary credited in first month</li> <li>Early attrition reasons (coded)</li> <li>% of candidates placed in preferred job role or geography</li> <li>Employer perception score on quality of candidate placed</li> </ul>

- This helped the IO and PM identify bottlenecks early in the delivery chain—such as mobilisation quality, training engagement, or job-fit misalignment—and enables IOs to target course correction before outcomes are missed

- 🏆 **Go beyond output tracking** by capturing behavioural and qualitative drivers — like **trainer and employer feedback on candidate quality**
- 🏆 **Ensure indicators are actionable** — i.e., they inform a clear response (e.g., trigger a mobilisation reset, schedule a trainer refresher, adjust job role mix)
- 🏆 **Work with IOs** and take them along at every stage in order to ensure **buy-in and institutionalization of best practices** within the IOs

# Deep dive 3 in practice: Share IO-implementation tools for outcome & cost monitoring



A readiness checklist, covering all delivery milestones, ensures each IO is set up for smooth launch and minimises roadblocks to outcome achievement

## SIB cohort start checklist

 [IO Cohort planning template](#)

SIB Fundamentals	
11	Have you created TP ID on Skill India Digital
12	Have you created Project ID on Skill India Digital of NSDC for SIB Program
13	Have you registered all the proposed training centers on Skill India Digital
14	Have you registered all the proposed job roles on Skill India Digital
15	Have you identified the independent assessment agency for Cohort 7 (The agency should be empaneled by NCVET)
16	Have you oriented your program team on SIB program requirements
17	Have you taken approvals from district administration , as may be applicable, for implementing training batches under Cohort 7
18	Is your MIS person trained on Skill India Digital of NSDC
Training Centre	
19	Are you proposing new centers or existing centers for Cohort 7?
20	Are your centers going to function as pure SIB centers or cross-programme centers?
21	Have you set-up new centers for Cohort-7 training? If yes, how many have been set-up
22	Are the proposed training centres ready for training?
23	Are the proposed training centres accredited on SIP - Fee Based Portal under SIB Scheme
24	Is the hostel set up as per COVID Safety norms for residential batches (Separately for men)
25	Are the training and practical labs set to meet COVID safety requirements?
26	Is the training capacity for proposed batches under the Cohort available?
27	Does the training center have biometric devices installed for recording attendance?
Trainer	
28	Have you hired the requisite number of trainers for Cohort 7? If yes, how many trainers do
29	Do all of these trainers qualify the norms of assessment agency?
30	Have the trainers completed Training of Trainers programme of SSC or any other reputed o
31	Are there any other training/certification of trainers (If yes, please give details)?
32	Are trainers' profiles created on Takshila portal of NSDC?
Mobilization	
33	Do you have the mobilization and counselling plan ready?
34	Have you printed the marketing/mobilisation collaterals as per NSDC Branding Guidelines?
Training and Assessment	
35	What is the duration for which the training would be imparted per day? Mention seperately for each job role
36	Is the content as approved by the assessment agency available in print and digital format ?
37	Have you procured training consumables as may be required for training ?
38	What is the language of training/reading material that is planned to be used? Mention seperately for each job role
39	Is the assessing agency onboarded for conducting assessments for SIB?
40	Has the proposed assessment agency created their user profile on SID
Placement	
41	Will you be following a demand driven model for Cohort 7 (employers onboarded for each batch before enrolments start)
42	Have you identified employers and mapped job vacancies with potential enrolments?
43	Do you have On-the-Job training for Cohort 7? Have you identified patterns for On-the-Job training as may be required?
44	Have MoUs been signed with employers for Cohort 7? (If yes, how many?)
Retention	
45	Have you identified back-up employers in-case of need for replacement?, Please share details
46	Have you engaged a dedicated retention team for tracking candidates and documents? Please share details
47	Do you have all the necessary MIS stuctures to store and manage candidate documents? Please share details

- This cohort start checklist features questions specific to the SIB value chain and training centres
- It helped identify any gaps/ flags that could cause a roadblock later and ensured that all centres are prepared to undertake programme activities and achieve outcomes

-  Create a checklist based on the programmes log frame and its unit of operation
-  Ensure that the questions check for the preparedness and also identify any risk in preparation

# Deep dive 3 in practice: Share IO-implementation tools for outcome & cost monitoring

A structured weekly monitoring template enables real-time progress tracking against disaggregated outcome targets and flags early performance risks for course correction




## Monitoring templates

IO Name	Training Center	Job Role	Milestone	Milestone Target	Achieved	% Achieved	Gender Target	% Achieved
IO 1	Center 1	Retail	Enroll	100	95	95%	60%	50%
IO 2	Center 1	Retail	Certify	95	70	74%	60%	50%
IO 2	Center 2	Retail	Place	70	60	86%	60%	50%
IO 3	Center 1	Retail	Retain	60	50	83%	60%	50%
	...	...	...	...	...	...	...	...

- Outcome monitoring architecture should include disaggregated priority KPIs and provide a clear view on target achievement

IO Name	Training Center	Job Role	Milestone	Number of dropouts	Dropout reason 1	Dropout reason 2	Dropout reason 3	Dropout reason 4
IO 1	Center 1	Retail	Enroll	100	30%	10%	45%	5%
	...	...	...	...	...	...	...	...

- Codified drop-out reason breakdown enables root-cause diagnosis and supports targeted improvements in mobilisation and retention strategies

-  **Structure the template around disaggregated KPIs** such as milestone, gender, center, and job role to enable early identification of performance gaps
-  **Maintain traceability to targets** set during project planning—the template should mirror the target allocation logic
-  **Ensure dropout reasons are coded and standardized**, to enable consistent analysis across IOs; reasons may span three broad categories—**candidate-driven** (e.g., loss of interest, personal health), **program-driven** (e.g., training delays, documentation issues), and **external factors** (e.g., family health, workplace conditions)

Define

Enable

Monitor

Embed

# Deep dive 3 in practice: Share IO-implementation tools for outcome & cost monitoring

Define  
Enable  
Monitor  
Embed

## Clear milestone-wise verification protocols establish accountability and reduce disputes by standardising what counts as a valid outcome

### Milestone-wise verification requirements

Milestone*	Definition	Verification document requirements
Enrollment	Process of admitting beneficiaries into the training program. Beneficiary must attend training for at least 5 calendar days from batch start. Enrollments must occur within 90 days of cohort start.	<ul style="list-style-type: none"> <li>Aadhar-based enrollment mandatory.</li> </ul>
Certification	Successful assessment or re-assessment by a 3rd party agency/employer. Must occur within 7 days of training completion.	<ul style="list-style-type: none"> <li>Certificates uploaded directly by assessment agency.</li> <li>Reassessment only for 2% of candidates within 30 days of placement</li> </ul>
Placement	Successful joining of a trainee with an employer in the training sector within 60 days of certification. No internships, part-time, contractual (<1 year), or informal work accepted.	<ul style="list-style-type: none"> <li>Requires employer-issued appointment/joining letter or employer declaration countersigned by the trainee.</li> <li>List primary and secondary employers in placement plan. Clearly name staffing firms.</li> <li>Submit placement doc within 14 days.</li> </ul>
Retention	Employment for 90 calendar days from date of first placement (max 30-day break allowed).	<ul style="list-style-type: none"> <li>Requires salary slips, bank statements, or employer declaration countersigned by the trainee.</li> <li>Retention docs must name staffing firms.</li> <li>Update required for deployment changes.</li> <li>Submit retention doc within 14 days of month-end retention confirmation.</li> </ul>

- Verification definitions and document requirements should be aligned across IOs to ensure uniform interpretation of milestones and reduce validation delays



Ensure documentation formats are standardised and realistic to collect—overly complex formats can delay verification and payout

\*Outcome definitions and verification docs are already agreed to in the design and contracting stage and hard coded in design documents and agreements between the investors and outcome funders and flow downstream to the PM and IOs

# Deep dive 3 in practice: Share IO-implementation tools for outcome & cost monitoring

Disaggregated cost templates allow the PM to calibrate true cost of delivering outcomes and enable IOs to build linkage between their budgets and outcomes

Define

Enable

Monitor

Embed


## Budget Templates

 [IO cost template](#)

Total intervention cost	IO 1	IO 2	IO 3	IO 4
<b>Cost Headers</b>				
A Facility/Training center	37,33,297	57,08,400	69,85,679	36,00,828
Rent	22,75,987	41,53,500	2,74,907	18,37,773
Utilities	2,98,478	3,23,050	5,81,211	5,12,060
Maintenance	1,23,196	1,38,450	7,66,076	1,30,995
Housekeeping and security staff salary	2,84,270			
IT platform cost (LMS, softwares)	0	59,150	0	40,000
Security	2,18,120	0	0	0
Capital Assets or Equipments (one time basis)	5,33,246	0	0	0
Capital Assets or Equipments (depreciation basis)	0	10,34,250	53,63,885	10,80,000
B Management and Head Office	37,05,022	28,66,630	3,23,19,435	
Cumulative annual salaries of all head office/regional program/project management team, who are supporting SIB (eg- program manager, training content development team, placement/retention team, MIS team, Cumulative annual salaries of all other head office/regional office staff or senior executives (corporate functions, eg - HR, finance, admin, IT etc)	24,80,199	17,96,545	1,32,04,574	
Cumulative overheads of all head offices/regional offices	12,24,823	3,20,966	1,08,73,621	
HO Hardware, furniture, fixture etc	0	4,00,428	0	
C Mobilisation and Counselling	31,87,675	54,01,951	1,43,81,854	
Mobilization Staff salaries (only training center level)	10,00,373	23,03,401	93,78,771	
Costs for Mobilization Events	11,55,224	1,02,900	17,53,838	
Cost for mobilisation material (canopies, flyers, posters etc)		44,100	3,14,256	
Counselling staff salaries (only training center level)	5,23,123	23,17,001	0	
Costs for Counselling Events	0	0	0	
Operational Costs (Travel and lodging of staff etc.)	5,08,955	6,28,550	27,49,828	
Any other cost related to mobilization and counselling (Please provide details in the comments section)		6,000	1,85,161	
D Training and Certification	1,18,36,364	72,98,359	2,73,40,737	
Training staff recruitment	0	0	0	
Training staff salaries	58,63,060	43,09,841	1,35,01,274	
Assessment staff salary @ HO	1,15,185	0	0	
Staff Training	0	7,66,998	0	

Other training material used in training center	4,15,881	1,75,000	0	0
Industry visit costs (if any)	1,53,358	0	0	0
OJT Costs	0	0	4,66,548	0
Assessment and certification cost (Please provide agency details in the comments section)	9,60,000	10,32,500	23,30,222	8,68,100
Any other cost related to training and certification (Please provide details in the comments section)	4,40,299	1,70,170	9,76,401	0
E Pre-placement and placement	24,30,244	47,90,616	1,97,68,698	0
Placement staff salaries (Only training center level)	3,19,708	39,89,066	1,50,33,176	0
Placement preparation cost (e.g. Mock Interviews etc.)		35,000	0	0
Placement Counselling Cost		35,000	0	0
Employer network development cost (eg- travel etc)	7,32,090	4,34,000	40,34,894	0
Placement Migration Cost	12,88,806	0	0	0
TA/DA for placement staff		2,97,550	0	0
Other cost		0	7,00,628	0
Placement Staff at HO	89,641	0	0	0
F Retention	11,59,709	42,54,591	1,20,73,018	48,101
Retention personnel salaries	1,87,354	35,10,441	92,93,918	0
Travel costs for retention	0	3,11,400	22,69,221	0
Call Center costs	34,295	2,66,500	4,39,096	0
Replacement and redressal costs	0	0	0	0
Medical Costs	0	1,66,250	0	48,101
Lodging of retention Personnel	0	0	0	0
Mobile Recharge for Candidates for Initial Months	0	0	0	0
Retention personnel trane, boarding and lodging cost	9,38,060	0	70,783	0
G Others	23,42,950	4,68,000	1,13,47,921	80,755
Project monitoring cost. (eg- travel of regional/HO staff to training centers, cost of project review/planning meetings etc) - MIS Cost	3,52,007	4,68,000	1,07,64,654	0
Salary of Academic Support Team	4,73,209			0
Salary of Admin Team at TC Level (For leamnet - both TC + regional + HO)	3,92,427			0
Any other cost (Please provide details in the comments section)	9,21,082		5,83,267	80,755
HR	2,04,224			
H Total Costs	2,83,95,261	3,07,88,548	12,42,17,342	1,48,06,889

- **Template for IOs' Proposed Budgets** was shared with the IOs under SIB; each outcome/output/activity was broken down into a list of detailed cost headers
- This guided IOs to allocate costs as part of implementation and calculate variance between planned and actual costs

 Be as granular as possible when creating this template to help IOs rightly link costs to outcomes; otherwise, costs tend to get muddled across the value chain, the IOs' various projects, etc.

# Project planning: A case study

## From Strengths to Strategy: Translating IO Capabilities for SIB Implementation

**Context:** An IO with a legacy focus on high-NSQF roles needed to cater to first-time job seekers with undergraduate-level education and meet higher gender targets in SIB. The PM worked with them to adapt their sectors, mobilisation model, and costing to fit the SIB's demographic and program priorities.

### What we did:

**Co-developing the IO implementation strategy:** The PM collaborated with the IO to recalibrate their sector focus. Moving away from traditionally higher NSQF roles like Software Engineer and Developer, the IO pivoted to lower NSQF IT roles (e.g., Java Programmer, User Experience Designer, SEO) and diversified into Logistics and Supply Chain job roles — sectors that aligned with the SIB's target group and had better potential for female participation.

**Aligning mobilisation strategy to SIB priorities:** The IO's legacy mobilisation approach was heavily digital-led, which didn't suit SIB's intended demographic profile. The PM worked with them to develop a hybrid mobilisation strategy combining digital channels with on-ground mobilisers, ensuring better reach to women and first-generation job seekers.

**Embedding cost efficiency and exploring co-funding:** The IO's original cost per beneficiary was unsustainable under SIB parameters. Through a detailed cost review, benchmarking with similar models, and operational adjustments, the PM helped the IO bring down the cost by 18%. The team also explored co-funding options and initiated discussions on modest candidate contributions to enhance ownership and sustainability.

**Impact:** In their very first SIB cohort, the IO met approximately 80% of their enrolment target while achieving cost savings of 18%. This validated the viability of adapting legacy models to outcome-based financing contexts with targeted planning and strategic cost management.



1. Performance  
management  
strategy

3. Project  
planning

4. Risk  
management

2. Performance  
management  
governance

**Block 4:**  
**Risk  
management**

# ○ Risk management: An overview

Define

Enable

Monitor

Embed

## What does it include?

- Define and set up risk management systems to identify, categorise, prioritise, and track risks that could disrupt program outcomes
- Adapt the portfolio's verification and cadence strategy to customise it for each IO's unique risk profile

## Why is it important?

- Enables early identification of delivery or outcome risks
- Builds a shared understanding of potential risks across IOs
- Leads to efficient allocation of time and effort through a customised verification strategy

## How to do it?

1. Develop IO risk management systems for tracking and mitigation
2. Define risk escalation and response protocols
3. Tailor verification protocols and engagement cadence basis IO risk profile

# Risk management: A deep dive

Define  
Enable  
Monitor  
Embed

01

## Develop IO risk management systems for tracking and mitigation

- i. Identify the relevant risk types for the programme (e.g., delivery, outcomes, financial, data, safeguarding, ethical, etc.)
- ii. Establish a standardised risk categorisation framework to group and prioritise risks based on likelihood and impact
- iii. Develop IO-specific risk registers with an integrated mitigation matrix to track risks, owners, action steps, status, and post-action effectiveness for each risk

### OUTPUTS:

Risk identification heatmap, risk register with mitigation matrix

02

## Define risk escalation and response protocols

- i. Define clear escalation thresholds to trigger action for risks
- ii. Design escalation pathways outlining roles, escalation forums/routes, documentation—showing how a risk goes from IO-level identification to PM and then to relevant decision-makers (e.g., IO → PM → Investor → SteerCo)

*These pathways should align with the performance management governance to ensure consistency and timely resolution*

Escalation pathways, risk register with escalation actions

03

## Tailor verification protocols and engagement cadence basis IO risk profile

- i. Adapt verification protocols for each IO based on risk profile, delivery model, and past performance (e.g., use higher sample size for IOs or cohorts flagged as high-risk)
- ii. Customise cadences for engagement for each IO; this includes setting frequency and format for check-ins, field visits and performance reviews

IO-specific cadences and verification protocols



**Going from good to great!**

- ✓ Capture and codify lessons learned from high-risk incidents to strengthen future response systems

# Deep dive 1 in practice: Develop IO risk management systems for tracking and mitigation

Risk categorisation helps make risks assessment and response processes consistent and less subjective

## Risk categorisation and heatmap

Impact	Likelihood				
	Rare <5%	Unlikely (6%-30%)	Possible (31%-60%)	Likely (61-90%)	Almost Certain (>90%)
Insignificant	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (7)
Minor	Low (5)	Low (6)	Moderate (8)	Moderate (9)	High (10)
Moderate	Low (11)	Moderate (12)	High (13)	High (16)	High (17)
Major	Moderate (14)	Moderate (15)	High (18)	High (21)	Extreme (22)
Severe	Moderate (19)	High (20)	High (23)	Extreme (24)	Extreme (25)

- This template uses standardised rating scales for evaluating both the potential impact and likelihood of a risk
- Categories, ranging from minor to severe for impact, and rare to almost certain for likelihood, bring consistency and comparability to how risks are assessed across different teams or IOs
- This heatmap visually categorises risks based on their impact and likelihood assigning each combination a risk level--low to extreme and a rank—helping prioritise risks and inform decisions, escalation thresholds, and response planning across IOs



Use such a matrix to ensure objectivity and comparability in how risks are rated across IOs; agreeing on a shared understanding of likelihood and impact avoids subjective assessments and improves consistency in risk tracking, escalation, and decision-making

# Deep dive 2 in practice: Define risk escalation and response protocols

Define

Enable

Monitor

Embed

## A risk register enables high-risk issues to be flagged early and links risks to clear mitigation and escalation pathways

Illustrative risk register and mitigation matrix



#	Risk Description	Likelihood	Impact	Risk Rank	Risk Category	Risk Type	Risk Owner	Mitigation plan	Status	Escalation Trigger	Escalation Path
1	Low enrolment in rural Bihar centers	Likely	Major	21	High	Outcome	IO programme team	Increase mobilisers and councilors, door to door community outreach	Open	<70% enrolment by Week 3	IO > PM > Investor
2	Underperformance in female retention in logistics	Likely	Severe	24	Extreme	Outcome	IO programme team	Offer safer transport; family counselling	Monitoring	Retention falls below 50%	IO > PM > Investor > SteerCo
3	Delay in uploading verification documents	Possible	Moderate	13	Moderate	Data	IO verification team	Automate reminders; increase check-ins with the field team	Monitoring	2 missed verification cycles	IO > PM
4	Floods disrupts training operations in Assam	Unlikely	Severe	20	High	Programme Delivery	PM and RI	Extend timelines	Closed	>2 weeks of disruption in 3+ locations	PM >Investor > SteerCo

- This exhibit presents a consolidated risk register template that links each risk to its likelihood, impact, rank, and mitigation plan
- The matrix also embeds risk ownership, status tracking, and well-defined escalation triggers and pathways, ensuring that high-risk items are addressed before they escalate.



Ensure field teams, IO leadership, and PM staff have a shared view of how risks are prioritised and what triggers a decision-making response

# Deep dive 2 in practice: Define risk escalation and response protocols

Define  
Enable  
Monitor  
Embed

## Escalation matrices mapped to risk categories ensure risk response is proportionate, time-bound, and clearly owned across stakeholders

### Escalation pathways and response protocols

Risk Level	Communication & reporting	Mitigation plan development	Escalation pathway	Post-mitigation action
Low	Inform investors (routine update)	Managed internally by PM and the IO team; internal SOP followed	Not escalated to SteerCo; escalated to investors if not mitigated	No further action if resolved; no program-wide implications
Moderate	Inform investors upfront; update SteerCo in monthly performance review	PM co-designs mitigation with IO; Investors input may be sought	May escalate to SteerCo if not resolved or recurring	Document issue; co-develop action plan to avoid recurrence
High	Immediately inform investors and update the SteerCo (contingent on the situation)	PM and investors co-lead mitigation; IO leadership might be involved	Escalate to SteerCo for oversight; regular status updates shared	Documented resolution plan; learning shared across IOs
Extreme	Immediate escalation to investors, notify SteerCo that response is underway	Joint PM-investor-IO leadership action; may involve critical decisions	High-priority item in SteerCo	Root-cause analysis; programmatic changes or contractual consequences

- This exhibit outlines a structured escalation framework that aligns with the risk register’s categorisation; it links each level of risk to specific actions across four dimensions: communication, mitigation ownership, escalation flow, and post-mitigation follow-up
- The framework ensures that risks are not only tracked, but responded to with consistency, clarity, and accountability—tailored to their severity and potential programmatic impact



Use such matrices to ensure that all actors are aligned on who needs to act, when, and how.

# Deep dive 3 in practice: Define tailored verification protocols and cadences

The cadence and depth of engagement between PM and IOs differs based on IOs' performance and risk profile

## Cadence customisation

Touchpoint	Suggested Frequency	What Happens	Customisation
Dynamic Risk Reporting	Ongoing	Real-time reporting of emerging risks by IOs or flagged via data by PM; immediate mitigation initiated	Always-on; depth varies by IO's proactiveness and reporting quality
Team Check-ins	Weekly/fortnightly	Regular outcome reviews, identifying operational risks, data driven risk identification, response to low category risk	Custom depth based on current cycle performance and risk signals
Deep-Dives	Monthly	Thematic risk reviews, trend analysis, root-cause exploration, and medium-risk resolution planning	Can be <b>dynamically triggered</b> if needed; Tailored data analysis, questions, and action plans based on IO's risk rating
Leadership Check-ins	Quarterly	Strategic review of high/critical risks; IO-level adjustments or escalation pathways if needed	Can be <b>dynamically triggered</b> if needed; intensity varies by severity of identified risks

- The PM has various touchpoints with IOs: real-time reporting, weekly check-ins, monthly reviews, and quarterly leadership engagements.
- These can be dynamically triggered, increased or decreased in frequency based on past performance and risk profile; the depth and intensity of these interactions are also tailored to the organisation
- This approach ensures consistent oversight across all IOs, while adapting resources and engagement to where they are most needed

# Deep dive 3 in practice: Define tailored verification protocols and cadences

Define  
Enable  
Monitor  
Embed

**Verification protocols follow a standard multi-layered process, but the intensity and escalation are customised based on outcomes, risk based on discordance levels, and IO delivery models.**

## Verification protocols

### First round of verification

Layer	Method	Cadence / Trigger
<b>1. Document Verification</b>	Review of submitted outcome documents	Within <b>14 days</b> post-outcome submission
<b>2. Stakeholder Verification (Telephonic)</b>	Initial round of candidate calls	Initiated after <b>30 days</b> of reporting
<b>3. Field Visit Verification</b>	On-site validation of employment	<b>Once every 3 months</b> or as triggered by red flags or high discordance

### Second round of verification


Discordance Level	Follow-Up Protocol
≤20%	Reach out to 20% of candidates
>20% but ≤50%	Call 50% of candidates + Reach employer
>50%	100% candidate verification + Employer reach-out

### Third round of verification

**>30% (Persistent) discordance**

Flagged as **risk**, triggers programmatic follow-up or escalation

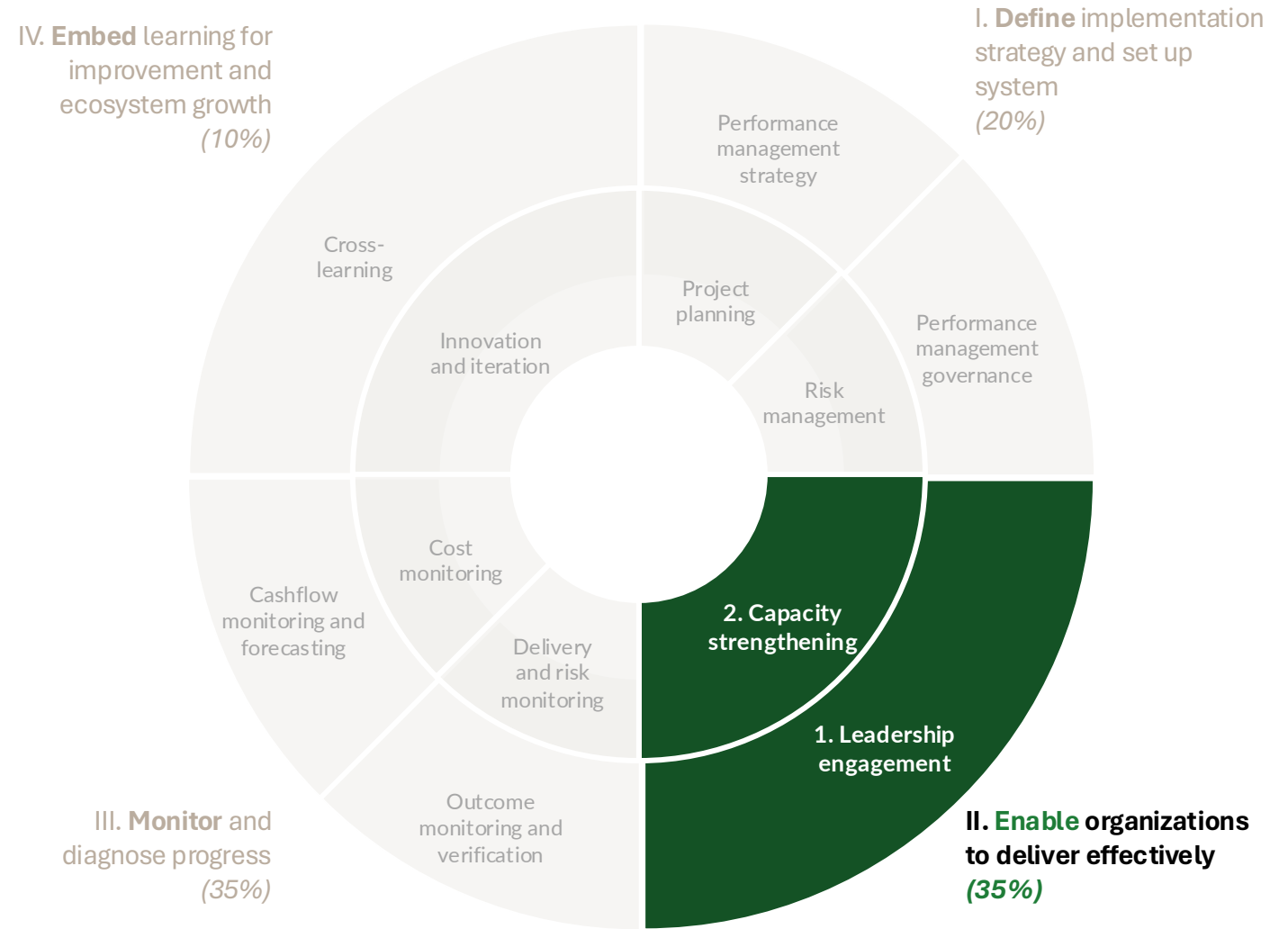
- All IOs undergo the first round of verification
- The second and third rounds of verification are only activated based on discordance\*\* levels observed for IOs during the first round and hence unique for each IO; these layers involve expanded candidate verification and employer outreach
- Persistent discordances are treated as a risk, triggering either mitigation or escalation through the performance governance structure

 This approach ensures baseline comparability across IOs, while allowing the PM to dial up or down the depth of verification based on performance patterns, delivery risks, and innovative models.

\*\*Definition provided in the [Glossary of Terms](#).

# 04

## Enabling institutions to deliver outcomes



# Pillar 2: Enable organisations to deliver effectively (35% effort)

## Portfolio layer



### Purpose

Engage with leadership to build effective leadership practices and instill a top-driven performance culture across their own organizations.

## Organisation layer

Strengthen organisational capacity to enable effective outcome delivery—building the characteristics of outcome-ready organizations and addressing critical capacity gaps through targeted support.

### Blocks



### Key outputs

#### 1. Leadership Engagement

- ✓ Leadership check-ins to review performance and problem-solve challenges
- ✓ Cross-IO leadership learning sessions
- ✓ Internal transition support (mindsets and practices)

#### 2. Capacity Strengthening

- ✓ Upskilling of program delivery core team
- ✓ Orientation and SOPs/guides for field staff



*Even though IOs selected have high potential...given most of them are used to working in traditional model, they need support in undergoing change management*

*~ Performance manager*



*Discussions with the performance manager should focus less on targets and more on coaching organizations on how to achieve those targets*

*~ Implementing organization*



*Some IOs will naturally need more capacity strengthening support than others...it's the PM's job to customise this engagement...early engagement should be high and it can come down over time*

*~ Performance manager*



*The most important topics to build organizational capacity on are good data collection, data-driven decision-making, hiring and team building, financial management and building efficiency across the value chain*

*~ Performance manager*



2. Capacity  
strengthening

1. Leadership  
engagement

**Block 1:**  
**Leadership  
engagement**

# Leadership engagement: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Frequent and deep engagement with IO leadership, to build and embed outcomes culture\* among them for achieving program goals and enabling them to foster a performance-focused culture within their organisations

## Why is it important?

- Drives strategic alignment on program outcomes
- Builds accountability for achieving outcomes, which trickles down to relevant teams/staff
- Accelerates organization-wide adoption of new outcome-focused ways of working

## How to do it?

1. Engage with leaders regularly for program-related discussions
2. Create opportunities for leadership development and learning
3. Ensure leaders promote organisation-wide performance culture

\*defined in the outcomes readiness framework created by BAT- attached in the subsequent slides

# Leadership engagement: A deep dive

Define  
Enable  
Monitor  
Embed



- i. Meet with IO leaders regularly; e.g.,:
  - Onboarding session (to ensure buy-in for the program)
  - Leadership check-ins (to review IO performance, discuss issues, and brainstorm solutions)
  - Field visits (to surface operational challenges)
  - Learning workshops at the IO level, portfolio level and consortium level (to reflect on learnings and share best practices)

**OUTPUTS:**  
Leadership engagement and ownership of goals

- i. Conduct trainings on leadership development topics (e.g., building an accountability culture, taking data-driven decisions, adaptive management)
- ii. Facilitate cross-learning sessions among IO leaders, to share experiences, exchange best practices, and problem-solve around common challenges

Leadership trainings and cross-learning sessions

- i. Work with leadership to embed a performance culture within their organization; e.g.,:
  - Talk outcomes, not outputs
  - Align staff KPIs to outcomes and introduce performance incentives
  - Use data and insights to drive discussions in routine meetings
  - Build a 'learning from failure' culture, rather than pressure/ perverse incentives

Growing integration of performance culture across IOs

## Going from good to great!

- ✓ The PM should show up as a thought partner (instead of solely engaging in compliance checks)—making leadership check-ins feel value-additive by bringing data-driven insights to the discussion and aiding leaders in their day-to-day decision-making
- ✓ It's important to make leaders feel heard, by striking a balance between sharing information and hearing their perspectives

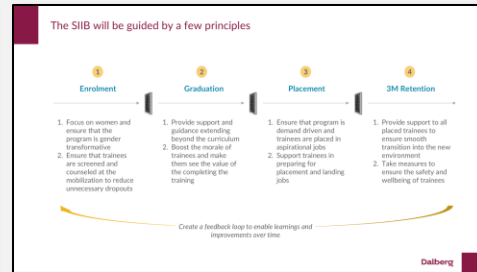
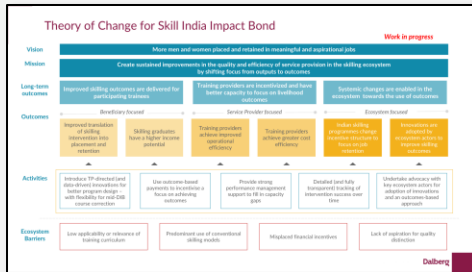
# Deep dive 1 in practice: Set up regular sessions with leadership

## The onboarding session is a critical touchpoint for gaining early leadership buy-in and support for the program

### SIB leadership onboarding session—agenda and structure

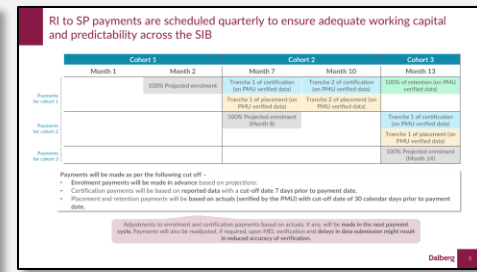
#### a) Socializing the program vision

Program goals, theory of change, and success definition



#### b) Clarifying roles and accountability

Roles of PM, IO, evaluator; milestone calendar



#### c) Aligning on performance/ reporting expectations

Outcome targets, outcome tracking, data dashboards

Based on the efficiency assumptions, the DIB will need to enroll ~50,000 beneficiaries to ensure ~25,000 are retained in jobs for at least 3-months

**Beneficiary Targets (cohort-wise)**

	Total	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Cohort 6	Cohort 7	Cohort 8
<b>Enrollment</b>	49,256 (100%)	6,053 (100%)	6,018 (100%)	5,997 (100%)	5,989 (100%)	6,291 (100%)	6,290 (100%)	6,300 (100%)	6,319 (100%)
<b>Training</b>	43,022 (87%)	5,092 (84%)	5,125 (85%)	5,165 (86%)	5,212 (87%)	5,528 (88%)	5,577 (89%)	5,632 (90%)	5,693 (90%)
<b>Placement</b>	31,406 (64%)	3,362 (56%)	3,497 (58%)	3,631 (61%)	3,764 (63%)	4,092 (65%)	4,223 (67%)	4,353 (69%)	4,484 (71%)
<b>3M Retention</b>	25,245 (51%)	2,525 (42%)	2,682 (44%)	2,840 (47%)	2,998 (50%)	3,313 (53%)	3,471 (55%)	3,629 (58%)	3,787 (60%)

3M retention is a percentage of enrollment increases over time due to assumed improvements in efficiencies and reduction in dropout over time.

**Sector Wise**

Centre Location	Target Batches	Target Enrollment	Batches SIBer	Enrolled	% Target Achieve	Female	Female %
Delhi	9	235	9	235	100%	139	59%
Jaipur	5	150	5	150	100%	103	69%
Mumbai	7	180	7	201	112%	126	63%
Chennai	14	390	14	398	102%	306	77%
Hyderabad	14	390	14	403	103%	295	73%
Bengaluru	6	180	5	149	83%	117	79%
Kolkata	7	180	6	172	96%	119	69%
<b>Total</b>	<b>62</b>	<b>1705</b>	<b>60</b>	<b>1708</b>	<b>100%</b>	<b>1,195</b>	<b>70%</b>

**Sector Wise**

Centre Location	Target Batches	Target Enrollment	Batches SIBer	Enrolled	% Target Achieve	Female	Female %
IT-ITeS	46	1130	39	1044	92%	725	69%
BFSI	16	455	13	383	84%	280	73%
Retail	0	90	0	0	0%	0	#DIV/0!
Logistics	0	30	0	0	0%	0	#DIV/0!
<b>Total</b>	<b>62</b>	<b>1705</b>	<b>52</b>	<b>1427</b>	<b>84%</b>	<b>1005</b>	<b>70%</b>

#### d) Hearing about development areas

Reflections on leadership upskilling needs/aspirations

Let's reflect on your perceived development areas—both for your organization and yourself!

- What do you think is the most difficult challenge your organization currently faces in achieving skilling outcomes for beneficiaries?
- What are some topics you would like to see included in the leadership trainings as part of this program?
- What do you hope to accomplish for yourself and your organization by the end of this program?

Training | What does it take to build an organization that takes 'learning from data' seriously?

Encouraging team members to ask questions (e.g., "What do we know and not know?" "How do we know it's true?") and provide time for reflection

Sharing information across boundaries and have little bureaucracy and red tape

Promoting constructive dissent, know when they need to unlearn, acknowledge and learn from mistakes and/or failures

Having the means for sharing individual and team learning, and leaders who model and support such learning

Seeking out diverse perspectives and establish clear roles of inclusion

Enabling individuals to feel safe to state their opinions and beliefs and have a high level of trust among individuals

Encouraging collaboration and support experimentation and creativity

Holding individuals accountable and have systems that reward and recognize individuals for new ideas and taking risks

Are there any other essential traits of learning organizations that come to mind?

# Deep dive 1 in practice: Set up regular sessions with leadership

## Regular leadership check-ins enable the PM and leaders to come together and reflect on IO performance and align on forward-looking strategies

### SIB leadership check-ins—key principles

- ✓ Regular: Meetings are held regularly, at a frequency aligned between the performance manager and organisational leadership team
- ✓ Partner-specific: Content is tailored to discuss the specific organization’s performance, challenges, risks
- ✓ Anchored on data: Data is used to take stock of organisational performance (by itself and relative to other organisations), showcase trends and draw insights
- ✓ Collaborative: Discussions include reflective questions, which encourage collective brainstorming and co-ownership of solutions
- ✓ Action-oriented: Takeaways are forward-looking, focused on course correcting through changes in design, delivery, etc.

### SIB leadership check-ins—sample agenda

#	Agenda item	Key discussion points
1	Placement strategy	Shift mix from hyperlocal to large employers; mitigate dropouts via better counseling
2	Verification processes	Streamline documentation; address inefficiencies in compliance
3	Gender and inclusion	Realign targets and explore best practices for organizational change
4	Sustainability	Discuss how to embed SIB learnings post-program
5	Financial model	Review constraints and align on ideal disbursement timelines



With leaders, the performance manager focuses on big-picture questions like “where are you investing most of your effort and resources?” or “what’s blocking your team from adopting new ways of working?”; in contrast, conversations with non-leadership staff focus more on daily tasks, following processes, and using tools correctly

# Leadership engagement: A case study

## Mainstreaming Gender Sensitivity from Program to Organization: Bringing Leaders' Ambition to Life

**Context:** At the time of onboarding, the IO's gender ratio stood at c.30%, limited by challenges in mobilizing women from tribal communities and a focus on male-dominated sectors like construction and manufacturing. Women participants were largely confined to the Apparel sector.

### What we did:



**Anchoring gender as a leadership priority:** From the outset, improving the IO's gender ratio was framed as a key organizational learning priority. The PM worked closely with the leadership, who recognized that gender sensitivity was impact imperative and strategically valuable for positioning themselves with funders. Leadership pushed the program team to step outside their comfort zone, setting bold gender goals. The PM reinforced this through regular leadership check-ins, using data to track progress and co-create strategies to both enhance program outcomes and institutionalize gender focus.



**Identifying and mainstreaming enabling factors:** The PM identified enabling factors through program insights and regularly shared them with the IO's leadership for their consideration. On the supply side, the PM highlighted the role of female staff, dedicated women's facilities, and safeguarding measures in improving women's participation — practices the IO adopted across its centres. On the demand side, the PM shared insights on better retention (after placement) and productivity of women, which the IO used to build employer partnerships, foster gender-sensitive workplaces, and position female alumni as community role models.



**Facilitating cross-learning for leadership:** The PM created opportunities for the IO's leadership to learn from peers in the consortium. One standout insight—gathered from cross-learning sessions—was the critical role of family and community engagement in mobilizing women. This influenced the IO's community outreach strategies beyond SIB.

**Impact:** The IO increased its organization-wide female representation from c.30% to c.50%. Within the SIB program, they expanded job opportunities for women across non-traditional sectors such as electronics, automobile, and capital goods — a significant shift from their earlier dependence on apparel alone.



**2. Capacity  
strengthening**

**1. Leadership  
engagement**

**Block 2:  
Capacity  
strengthening**

# Capacity strengthening: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Identify and address IOs' capacity strengthening needs—through initiatives such as trainings, coaching sessions, workshops, etc.—ultimately to set them up for successful delivery in OBF contexts

## Why is it important?

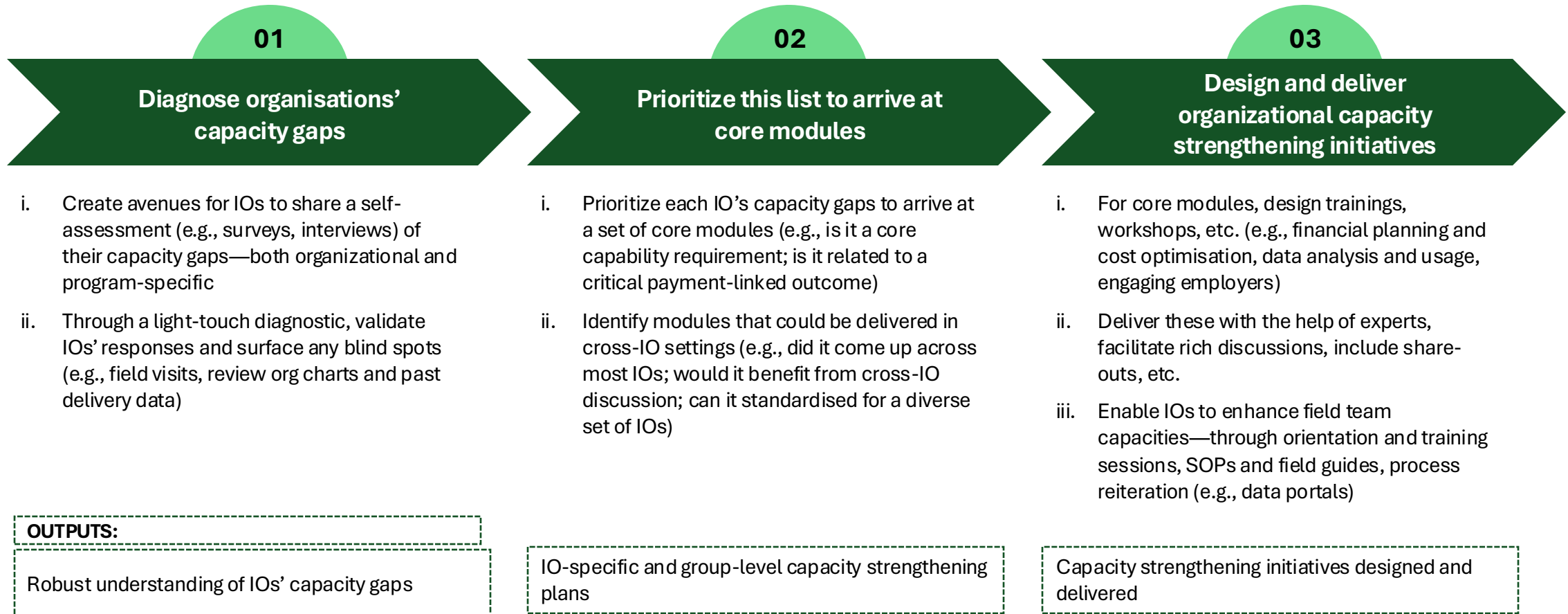
- Enhances IO performance in the program
- Reduces investor and funder risk by addressing potential drivers of underperformance
- Enables IOs to succeed in OBF contexts beyond this program

## How to do it?

1. Diagnose organisations' capacity gaps
2. Prioritize this list to arrive at core modules
3. Design and deliver organisational capacity strengthening initiatives

# Capacity strengthening: A deep dive

Define  
Enable  
Monitor  
Embed



## Going from good to great!

- ✓ Ensure that the self-assessment is set up such that organisations are being introspective and responding transparently without fear of repercussion

**Note:** Only IOs with medium to high outcome readiness are typically selected for OBF programs to safeguard investor returns. In-depth capacity-building support for early-stage orgs with low outcome readiness would require much deeper engagement which would be outside the PM scope.

# Deep dive 1 in practice: Diagnose organizations' capacity gaps

Define

Enable

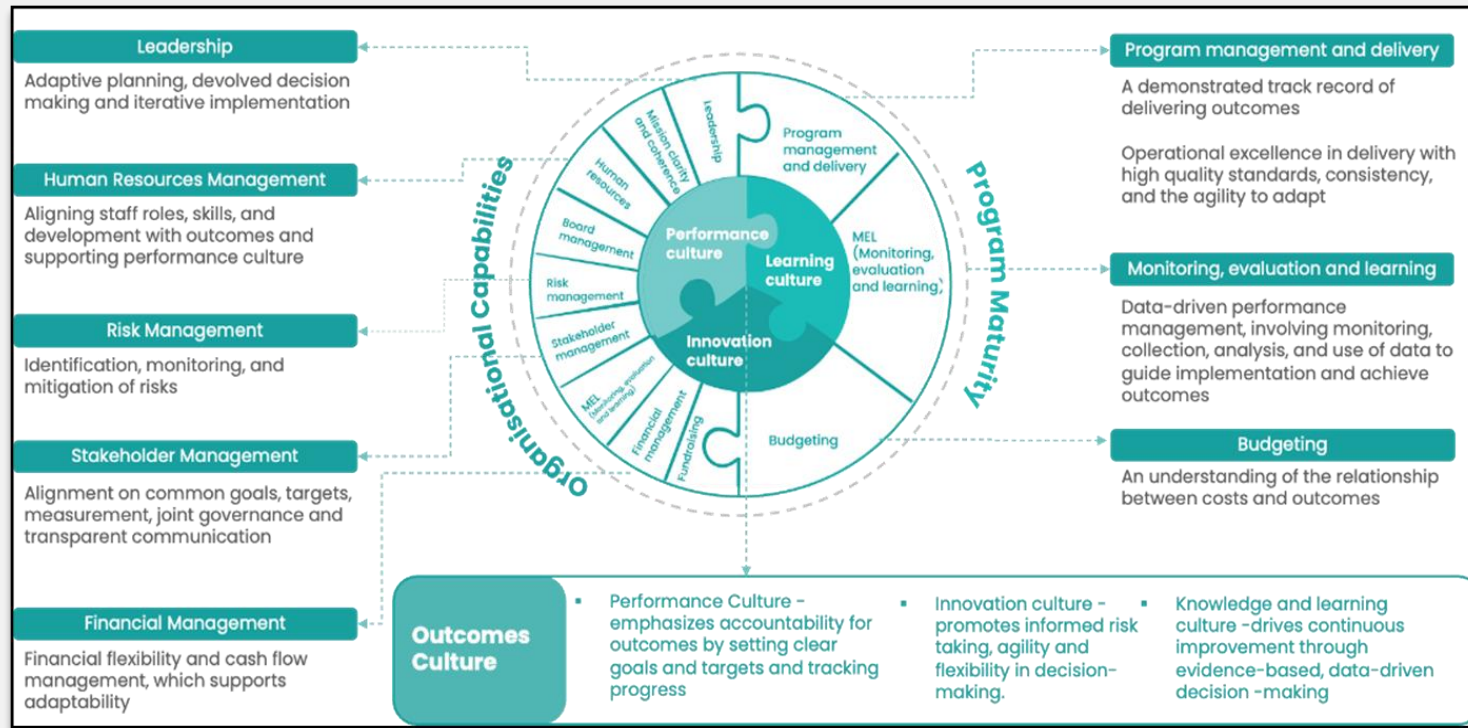
Monitor

Embed

Frameworks, like BAT's outcome readiness model, offer a comprehensive view of the capacities needed for IOs to succeed in OBF contexts

Under SIB, BAT (the transaction manager) developed a framework to assess IOs' outcome readiness

 [Outcome readiness tool](#) and [survey](#)



- The framework captures all key aspects of an IO (practices, structures, strategies) that qualify it as outcome-ready
- These aspects are split into organisational readiness (such as leadership roles, human resource planning, risk management process) and program readiness (e.g., reporting systems, quality standards, data collection and analysis systems)

# Deep dive 1 in practice: Diagnose organizations' capacity gaps

This framework doubles up as a self-assessment tool/survey to assess organizations' strengths and gaps

## SIB—IO organization and program assessment survey



[Outcome readiness and program readiness survey](#)

**A. Clarity and Coherence about organisation's mission**

1. Do you have a documented vision and mission statement?  
Answer type: Single choice

- No, we do not have a documented vision or mission
- In progress, we are currently working on defining them
- We have a vision and mission documented, but it is somewhat vague and/or not realisable and not updated in the last five years
- We have a clear, compelling expression of the organisation's mission and vision, updated to reflect current thinking

2. Does the organisation have a strategic plan in place?  
Answer type: Single choice

*Info box: A strategic plan outlines an organisation's mission over a specific period that guides the organisation in achieving its objectives.*

- Yes, a written plan exists
- Yes, we have a plan, but it is not current
- No, we do not have a plan

3. Which of the following components does your strategic plan include?  
Answer type: MCQ

- Organisation's strategic priorities
- Action plans to achieve strategic objectives
- Indicators to measure progress against strategic objectives
- Quantified and specific targets for each strategic objective
- Fundraising and resource allocation
- None of the above

4. Which statement best describes your usage of the strategic plan?  
Answer type: Single choice

- The strategic plan has been consistently referenced by staff at all levels to guide individual goals
- The strategic plan is primarily utilized by the staff
- The strategic plan is not referred to

5. Please upload a copy of your strategic plan

**10. How would you describe your data collection and analysis systems for this program area?  
Answer type: Single choice**

- Paper-based data collection and analysis
- Basic digital tools such as Excel and Google Forms
- Tech based HIS systems are in place for data collection and analysis

**11. What describes your approach to data analysis for this program area best?  
Answer type: Single choice**

- Data analysis is not undertaken as a regular activity, it is done as and when needed
- Data analysis is done for donor reporting purposes
- Data analysis is done regularly and is a planned activity for the organisation

**12. What kind of research tools do you use for M&E for this program area?  
Answer type: Single choice**

- No tools developed
- Only quantitative
- Only qualitative
- Mixed (Qualitative and Quantitative)

**13. Which of the following data sources do you use to verify your outcomes?  
These data sources could be as part of internal evaluation or external evaluation  
Answer type: Multiple choice**

- Documents such as offer letters, joining letters, salary slips etc.
- Sample surveys with trainees
- Direct confirmation or feedback from employers

**14. Which of the following survey methods have you used to measure outcomes for this program area?  
These survey methods could be as part of your internal evaluation or external evaluation  
Answer type: Multiple choice**

- Dipstick surveys (survey where sample sizes are not statistically robust)
- Baseline-endline surveys with statistically robust samples
- More sophisticated methodologies such as quasi experiments, RCTs etc

**15. How frequently do you review data to assess progress?  
Answer type: Single choice**

- Ad-hoc
- Annually
- Quarterly
- Monthly

**J. Program Overview**

1. Please describe the program's primary objectives  
Answer type: Text

2. Please mention all target populations you seek to benefit with this program area.  
Answer type: Text

3. Describe the profile of target population in more details (income level, region, vulnerability etc.).  
Optional  
Answer type: Text

4. How long has your organisation been working in this program area in number of years?  
Answer type: Numeric field

5. Approximately, how many projects are currently active in this program area? Optional  
Answer type: Numeric field

6. Approximately, how many people are dedicated to this program area?  
Answer type: Numeric field

7. In how many states is the program currently active?  
Answer type: [Checkbox of Indian states]

8. Approximately what percentage of your organization's budget is allocated to this program area in the last three years?  
Answer type: Numeric field

9. How many people were you able to train over the last three years?  
Answer type: Numeric field

**K. Program management and delivery**

1. Does the organisation have a Theory of Change for this program area?  
Answer type: Single choice

- Yes
- No

2. What does your Theory of Change for this program area look like?  
Answer type: Multiple choice

- Impact that the program wants to achieve  
This is the long-term objective or "ultimate goal".  
Example: A skilling program for women to improve quality of life, empowerment and get vaccinated against malaria at up to 100% of children's health outcomes" as its impact.
- What the program does  
These are the activities directly contributing to the impact.  
Example: For a skilling program, activities could include recruitment, training, training them, training of the trainers, etc.
- The products or services directly resulting from the program  
These are the outputs of the activities.  
Example: For a skilling program, the products could be certificates, diplomas, or finding a job.
- The real changes in people's lives that result from the program  
Example: For a skilling program, the changes could be increased income, improved health, and earning a decent salary.

3. When was the ToC for this program last updated?  
Answer type: Single choice

- Within the last 2 years
- 2-3 years ago
- More than 3 years ago

4. Please upload a copy of your programmatic ToC (Optional)

5. Are your training curricula aligned to the QP-NDS?  
Info box: QP-NDS stands for Qualification Pack-National Occupational Standards developed by Sector Councils / NSDC  
Answer type: Single choice

- All trainings are aligned to the relevant QP-NDS
- Most trainings are aligned to the relevant QP-NDS
- Some trainings are aligned to the relevant QP-NDS
- None of the trainings are aligned to QP-NDS

6. Do you offer third-party certification to your trainees post successful assessment?  
Answer type: Single choice

- Yes, for all trainings
- Yes, for most trainings
- Yes, for some trainings
- No

7. Does your model facilitate apprenticeships/ jobs/ self-employment for the trainees?  
Info box: The question is trying to assess if you take accountability for apprenticeships/ jobs/ self-employment either in-house or through other organisations  
Answer type: Single choice

- Always
- Sometimes
- Never

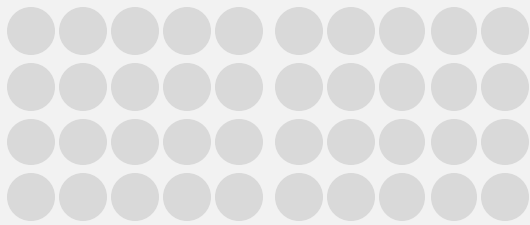
8. Is there adequate staff to manage the program effectively at all levels?  
Answer type: Single choice for each row

	a. We have sufficient staff with the right skillset	b. We have some staff, but additional support is needed	c. We are currently understaffed	d. Not applicable
Mobilizers and outreach staff				
Trainers				
Certification/assessment team				

- The survey included detailed questions to assess readiness both as an organisation and in the context of the skilling program, all IOs were required to respond to the survey
- It was accompanied by a scoring architecture, which helped classify organizations into low, medium, and high readiness or organisation and program—indicating whether IOs need high-touch or low-touch capacity strengthening support

# Deep dive 2 in practice: Prioritize this list to arrive at core modules

Each IO's capacity strengthening plan is customised to its unique strengths and gaps, while aligning with program requirements



## Long list of capability gaps

1. Poor employer engagement
2. Limited use of data by project teams for decision-making
3. Lack of gender-sensitive delivery approaches
4. Poor documentation of dropouts and unclear escalation
5. Lack of systematic cost-tracking
6. No standardized approach to team performance reviews
7. Inconsistent use of MIS tools
8. Weak onboarding for new staff



## Prioritisation criteria

- ? **Critical outcomes:** Does it directly affect the IO's ability to deliver on key outcomes (e.g., retention, placement)?
- ? **Capability requirements:** Is this capability a core/explicit requirement to meet delivery standards?
- ? **Frequency:** How often does this issue arise in day-to-day operations?
- ? **Willingness to act:** Is the IO open to working on this? Do they have leadership and team buy-in to adopt change?
- ? **Feasibility to address:** Can meaningful progress be made in this area within the program's timeframe?



## Core modules for each IO

1. Employer engagement
2. Data use by teams
3. Cost tracking



A few critical gaps could be covered in cross-IO settings and hence be deprioritised from IO-specific lists; other, low-criticality gaps need not be a focus of PM-led capacity strengthening initiatives

Define

Enable

Monitor

Embed

# Deep dive 3 in practice: Design and deliver capacity strengthening initiatives

## The outcome readiness framework also directly translates to a set of capacity strengthening modules

### Outcome readiness competencies mapped to illustrative modules

Org capabilities	Illustrative module	Program maturity	Illustrative module
<b>Human resources management</b>	<ul style="list-style-type: none"> <li>• <b>Planning for internal transitions:</b> Identifying critical roles, clearly defining responsibilities, and building a second line of personnel to manage internal transitions and operational shifts smoothly</li> <li>• <b>Governance and organizational design for effective delivery:</b> Building strong governance structures, optimising team allocation and defining roles for accountability and efficiency</li> </ul>	<b>Program management and delivery</b>	<ul style="list-style-type: none"> <li>• <b>Strategic planning for skilling programs:</b> Establishing a strong foundation through strategic design, data-driven insights, and market alignment</li> <li>• <b>Structured approaches to performance management:</b> Designing performance frameworks to effectively leverage data for identifying performance drivers &amp; risks, and designing risk mitigation strategies</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>• <b>Proactive risk identification and mitigation:</b> Building systems to identify potential risks early, track warning signs and create mitigation strategies to address disruptions</li> <li>• <b>Crisis response and contingency planning:</b> Equipping IOs with tools and protocols for handling unexpected challenges, from candidate dropouts to employer disengagement, to minimize impact on outcomes</li> </ul>	<b>Monitoring, evaluation, and learning</b>	<ul style="list-style-type: none"> <li>• <b>Crafting a learning agenda for strategic impact:</b> Designing strategic framework to identify and target learning areas aligned with organisational and program priorities</li> <li>• <b>Robust data systems for program monitoring:</b> Deploying the right data systems and tools to effectively track program performance and learning indicators</li> <li>• <b>Deploying fit-for-purpose evaluation and verification plans:</b> Designing evaluation plans that balance candidate and employer-led approaches, define sampling strategies, and use of tech, and course correction mechanisms</li> </ul>
<b>Stakeholder management</b>	<ul style="list-style-type: none"> <li>• <b>Engaging employers for scalable placements:</b> Strengthening employer networks through strategic and demand-driven approaches</li> <li>• <b>Deploying effective stakeholder feedback loops:</b> Incorporating robust feedback loops across candidates, employers and field staff to effectively capture stakeholder responses by negating potential biases</li> </ul>	<b>Budgeting</b>	<ul style="list-style-type: none"> <li>• <b>Cost optimization and outcome-linked incentives:</b> Identifying appropriate cost allocation, identifying leakages, and assessing beneficiary-specific costs</li> </ul>
<b>Financial management</b>	<ul style="list-style-type: none"> <li>• <b>Cost optimisation and budgeting:</b> Training IOs to conduct detailed cost analyses, track variances between projected and actual expenses, and implement strategies to optimize resource allocation</li> <li>• <b>Sustainable financial planning for OBF models:</b> Helping IOs align financial strategies with OBF structures, including managing cash flows, planning for delayed payouts, and building financial resilience</li> </ul>	<b>Outcomes Culture</b>	<ul style="list-style-type: none"> <li>• <b>Driving a culture of outcomes orientation:</b> Shifting organisational thinking from inputs to outcomes realization by embedding performance-driven incentives, continuous learning, and adaptability</li> </ul>

**Note:** These modules were identified as part of SIB as important for organizational capacity strengthening; however, content for these modules has not been designed.

# Deep dive 3 in practice: Design and deliver capacity strengthening initiatives

## Capacity strengthening initiatives are best delivered using interactive formats

Module design—including theory, practice exercises, reflection prompts, etc.

Module	Detailed description
<b>Employer engagement</b>	<ul style="list-style-type: none"> <li>Equipping the organisation to build, manage, and grow employer relationships that lead to quality placements.</li> <li>This includes techniques for employer mapping, using labor market data, tailoring engagement strategies, and co-creating value propositions.</li> <li>The module also emphasizes creating feedback loops with employers, understanding their hiring preferences, and ensuring consistent communication to reduce disengagement and increase repeat hiring.</li> </ul>
<b>Data use by teams</b>	<ul style="list-style-type: none"> <li>Training staff to interpret program data and use it for decision-making at every stage of the value chain—from mobilisation to retention.</li> <li>This includes how to read dashboards, identify red flags, track progress against targets, and conduct root-cause analyses for underperformance.</li> <li>The module also focuses on fostering a culture of data ownership and equipping frontline managers to use data for team coaching, escalation, and course correction.</li> </ul>
<b>Cost tracking</b>	<ul style="list-style-type: none"> <li>Building organizational capabilities to track budgets accurately, analyse cost trends, and assess cost-effectiveness across activities and outcomes.</li> <li>The module includes training on setting up cost monitoring systems, comparing actuals vs. budgeted expenses, calculating cost per input/output/outcome, and identifying inefficiencies or leakage.</li> <li>It also covers tools for financial reporting, flagging overspend or underspend, and using cost data to support strategic and operational decisions under OBF constraints.</li> </ul>

Modules can be delivered via various formats



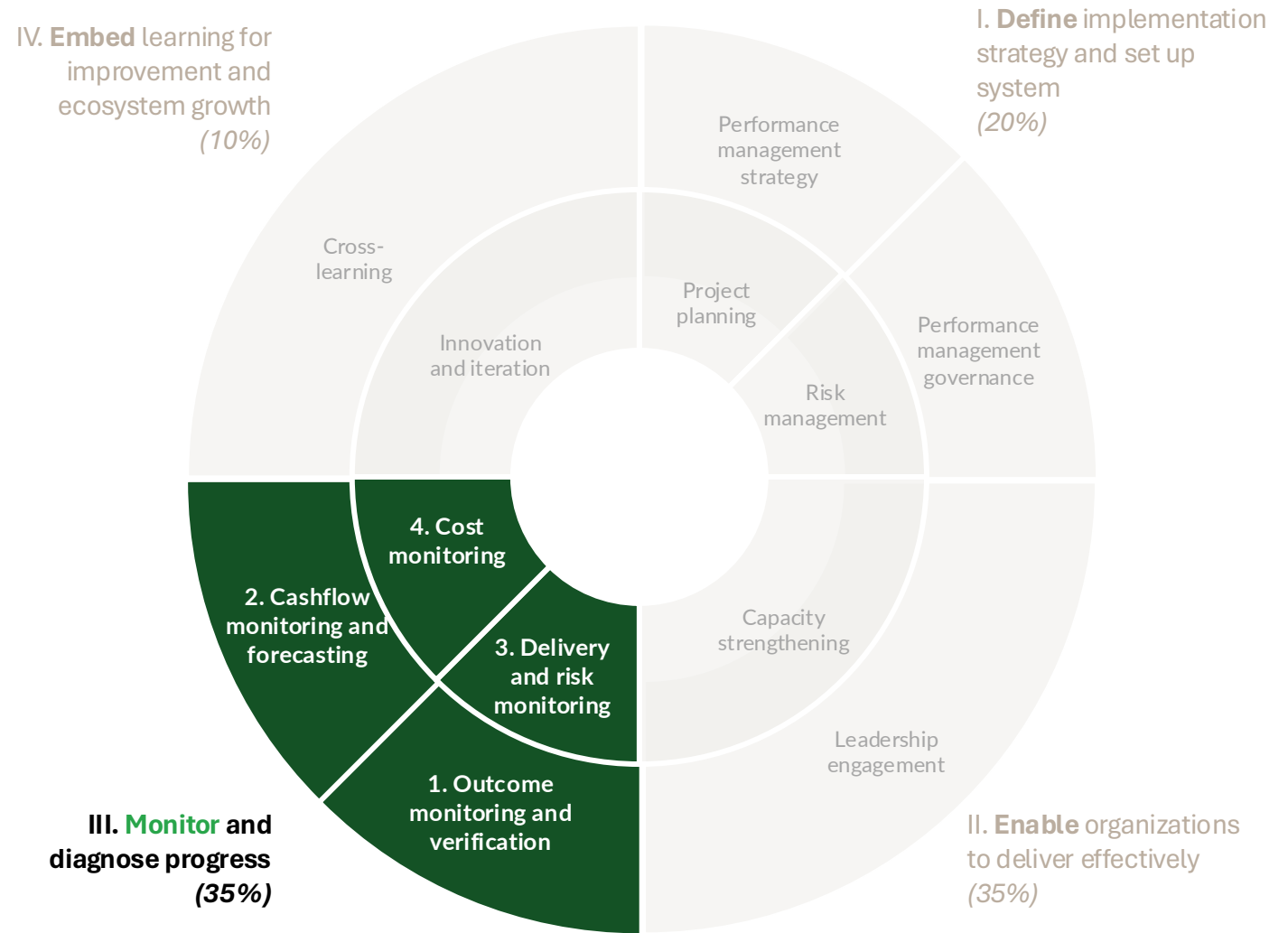
[Field team training template](#)

- ✓ **Trainings:** Conventional, lecture-style sessions
- ✓ **Workshops:** Real-time application of concepts
- ✓ **Clinics:** Tailored support on specific challenges
- ✓ **Learning circles:** Exchange of ideas in a facilitated environment
- ✓ **Self-paced:** Offline recordings and resources



# 05

## Monitoring and diagnosing performance drivers



# Pillar 3: Monitor and diagnose progress (35% effort)

## Portfolio layer

## Organization layer



### Purpose

Monitor portfolio-level KPIs to assess progress, and track payments upon achievement of defined targets. Proactively identify and flag risks related to outcome delivery and payment fulfillment.

Track IO performance and spending, analyse underlying drivers, and continuously adapt implementation strategies and budgets to enhance effectiveness based on diagnostic insights.

### Blocks



### Key outputs

#### 1. Outcome Monitoring and Verification

- ✓ Portfolio-level outcomes tracker
- ✓ Sample verification of outcome claims
- ✓ Cashflow and investor returns tracker
- ✓ Timely flagging of risks

#### 2. Cashflow Monitoring and Forecasting

#### 3. Delivery and Risk Monitoring

- ✓ IO KPI and performance deep dives
- ✓ Risk mitigation plans
- ✓ IO cost tracking and analysis
- ✓ Cost effectiveness plans

#### 4. Cost Monitoring



*The performance manager's data analysis and visualization was very valuable...it made data more comprehensible and usable, and helped us understand risk patterns*  
~ Implementing organisation



*When multiple investors and funders are involved, proper cashflow management becomes super critical from a compliance standpoint*  
~ Risk investor/PM

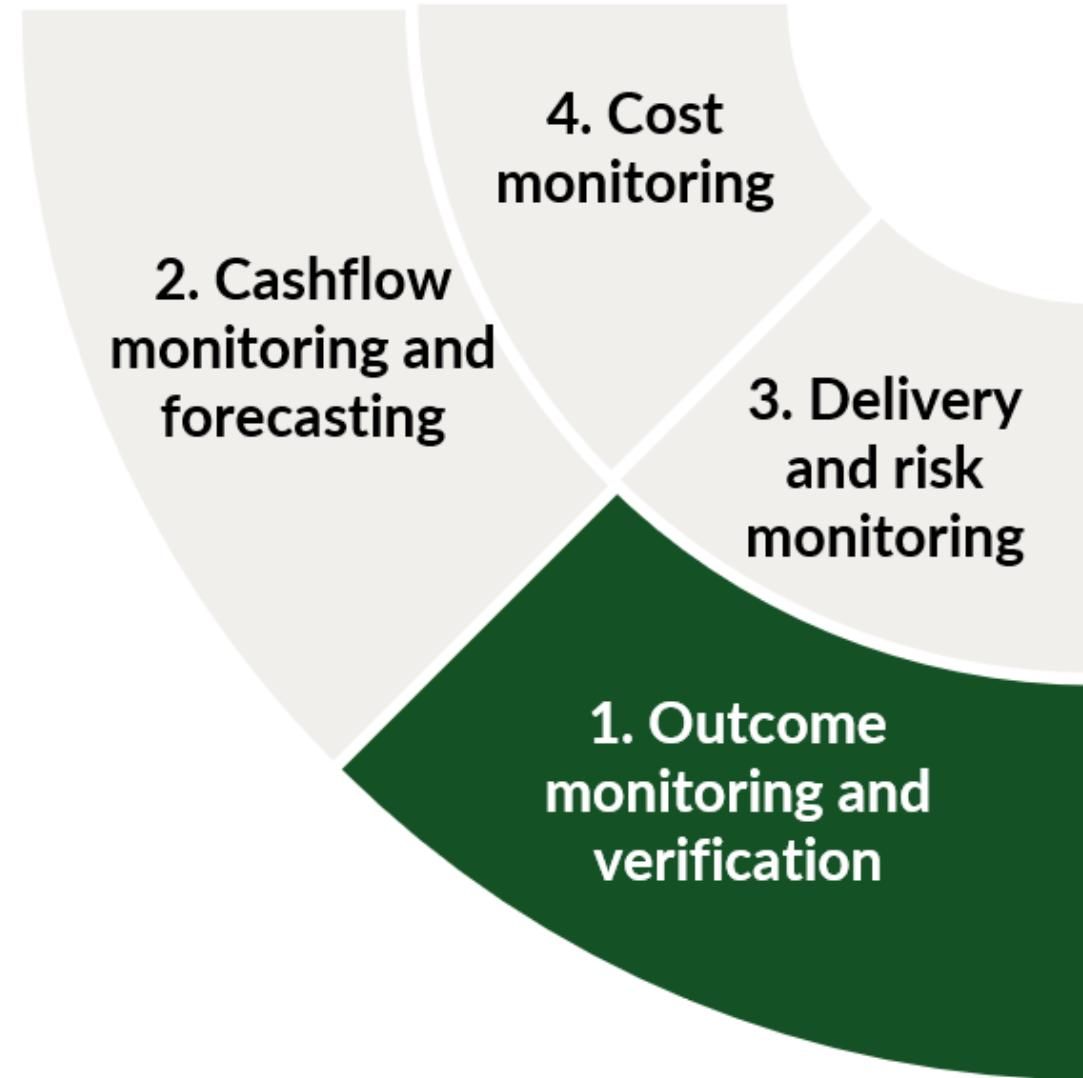


*The outcome-linked payment structure was important for driving outcomes...but equally important was the performance manager's push in helping us think deeply and get into root causes*  
~ Implementing organisation



*Tailored risk monitoring is very important as no two interventions are the same...they are affected by many external factors*  
~ Risk investor

**Block 1:**  
**Outcome  
monitoring and  
verification**



# Outcome monitoring and verification: An overview

Define

Enable

Monitor

Embed

## What does it include?

- Track portfolio-level outcome indicators and draw insights
- Also conduct sample verification\* of outcome claims, and update key stakeholders to help drive data-informed portfolio-level decisions

## Why is it important?

- Helps ensure portfolio-level goals remain on track
- Surfaces systemic risks and data quality issues
- Supports adaptive portfolio management

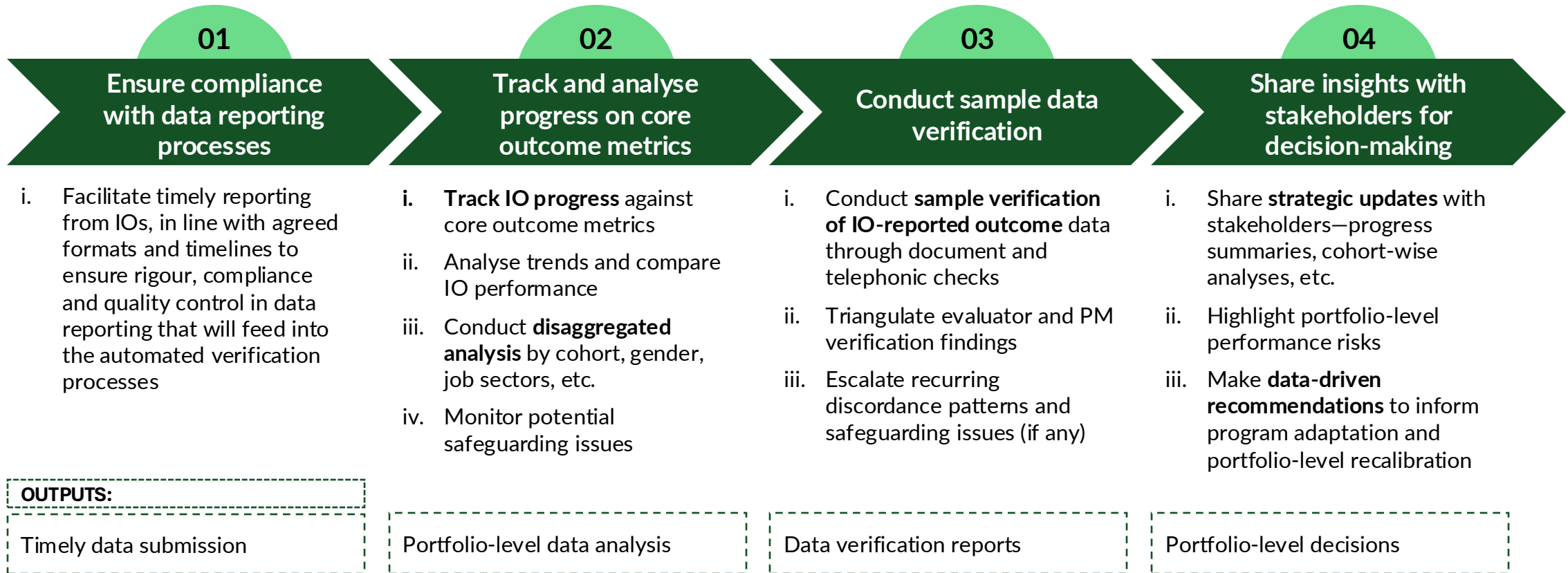
## How to do it?

1. Ensure compliance with data reporting processes
2. Track and analyse progress on core outcome metrics
3. Conduct sample data verification
4. Share insights with stakeholders for decision-making

**\*Note:** PM typically conducts verification on behalf of the investor to facilitate working capital disbursements. Outcomes verification for disbursement of outcome funding is carried out by an independent entity (evaluator in case of SIB)

# Outcome monitoring and verification: A deep dive

Define  
Enable  
Monitor  
Embed



## Going from good to great!

- ✓ Invest in IO capabilities to build ownership of data accuracy and relevance
- ✓ Focus on "why" not just "what" in analysis—look for drivers, not just changes

**Note:** Step 1 takes place prior or during data submission, Step 2 onwards resume post data is collected

# Deep dive 2 in practice : Track and analyse progress on core outcome metrics

Trackers/dashboards provide stakeholders with a quick overview of outcome levels and risks

SIB portfolio-level outcomes and performance tracker

 [Program outcomes tracker; IO Performance tracker](#)

IO #	Stage	Cohort 1			Cohort 2			Cohort 3			Cohort 4			Cohort 5		
		Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
IO 1	Certification	72%	0%	72%	84%	73%	83%	79%	0%	79%						
	Placement	54%	0%	54%	55%	50%	55%	61%	0%	61%						
	Retention	45%	0%	45%	41%	36%	41%	52%	0%	52%						
IO 2	Certification	86%	83%	85%	90%	91%	90%	96%	98%	96%	95%	94%	95%	98%	96%	98%
	Placement	69%	68%	69%	77%	68%	75%	84%	90%	85%	84%	82%	84%	83%	70%	81%
	Retention	51%	44%	50%	59%	54%	58%	66%	78%	68%	74%	65%	73%	55%	37%	52%
IO 3	Certification	95%	95%	95%	98%	98%	98%	99%	99%	99%	97%	96%	97%	99%	99%	99%
	Placement	73%	74%	73%	78%	81%	79%	84%	85%	84%	85%	84%	84%	72%	69%	71%
	Retention	50%	51%	50%	73%	76%	74%	79%	80%	79%	78%	77%	78%	66%	64%	65%
IO 4	Certification	93%	96%	95%	90%	96%	93%	75%	89%	83%	88%	91%	89%	96%	99%	97%
	Placement	85%	95%	91%	77%	94%	86%	64%	85%	75%	76%	84%	79%	85%	95%	88%
	Retention	76%	77%	76%	69%	66%	68%	55%	63%	59%	55%	62%	58%	67%	73%	69%
IO 5	Certification				90%	86%	89%	89%	81%	85%						
	Placement				56%	53%	55%	51%	37%	45%						
	Retention				14%	14%	14%	10%	11%	11%						
Total	Certification	86%	94%	88%	91%	93%	91%	90%	91%	90%	94%	93%	94%	98%	98%	98%
	Placement	69%	87%	74%	70%	79%	73%	73%	78%	75%	83%	83%	83%	79%	77%	79%
	Retention	53%	67%	57%	56%	57%	56%	60%	60%	60%	72%	68%	71%	61%	59%	60%

- This shows the portfolio-level summary of outcomes data (% achieved against targets), drawing real-time data from the SIDH portal
- It provides a quick view of overall progress and where the biggest performance risks are; the color-coding transforms a simple dashboard into a decision-making tool by alerting stakeholders of risks
- Data is disaggregated by IOs, cohorts, and gender, showcasing specific risks (e.g., low retention among IO1's placed candidates); it can be further disaggregated by candidate background, job sector, etc. This is also showcased on the [SIB portal](#)

# Deep dive 3 in practice: Conduct sample data verification

Sample verification helps track data discordances, ensuring data integrity for internal reviews and reporting

SIB verification tracker

 [Program outcomes tracker](#)

		Cohort 1						Cohort 2					
		Diff: IO Reported vs PMU Document Check		Diff: IO Reported vs PMU Telephonic Verification		Diff: IO Reported vs discordance addressal		Diff: IO Reported vs PMU Document Check		Diff: IO Reported vs PMU Telephonic Verification		Diff: IO Reported vs discordance addressal	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
IO 1	Certification			-13%	0%					-4%	7%		
	Placement			-31%	0%			4%	10%	-1%	3%	-5%	-7%
	Retention	-14%	0%	-16%	0%	-2%	0%	5%	17%	6%	-3%	1%	-20%
IO 2	Certification			-6%	-1%					4%	2%		
	Placement			-21%	-11%			1%	6%	4%	5%	3%	-1%
	Retention	-2%	13%	-1%	-1%	1%	-14%	-4%	5%	2%	-11%	6%	-16%
IO 3	Certification			-17%	-7%					1%	-4%		
	Placement			-19%	-25%			-11%	2%	0%	-3%	11%	-5%
	Retention	-1%	9%	-1%	4%	0%	-5%	-16%	-21%	-1%	-6%	15%	15%
IO 4	Certification			-17%	-11%					-4%	2%		
	Placement			-20%	-21%			3%	3%	0%	2%	-3%	-1%
	Retention	4%	10%	-3%	5%	-7%	-5%	-9%	17%	-7%	6%	2%	-11%
IO 5	Certification									2%	-4%		
	Placement							14%	14%	2%	2%	-12%	-12%
	Retention							34%	36%	-4%	3%	-38%	-33%

- In SIB, the PM primarily undertook sample verification through document checks and telephonic communication
- Discordances\* are recorded where these checks don't match the IO's claims; e.g., candidates rejecting being trained, employers rejecting claims of # of candidates placed, etc.
- The PM also facilitates discordance addressal efforts (e.g., identifying high-risk employers, strengthening placement verification processes) and tracks improvements
- Discordances can also arise from benign elements like human error, candidates' miscommunication with the verification officer.



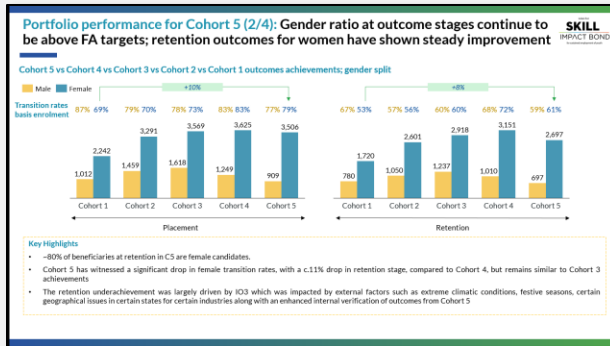
Sample checks aren't just for validation—they surface systemic data quality issues and feed into better data processes and capacity building

# Deep dive 3 in practice: Share insights with stakeholders for decision-making

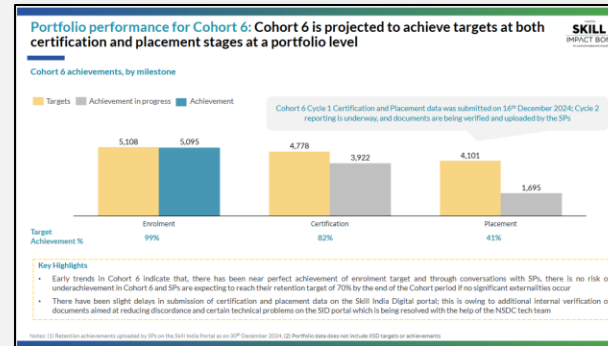
Stakeholder updates, performance summaries, verification findings, etc., enable informed portfolio-level decisions

## SIB performance manager-led updates to inform key stakeholders

a) Retention



c) Placement and certification



c) Key trends or challenges

**Key challenges and learnings: The PM conducted a detailed review of the drivers of poor performance and discussed mitigants for Cohort 6**

Drivers for poor performance	Mitigation plan
<p><b>1. Centre/Geography level risk</b> Of the 1978 candidates placed in C5, 36% candidates have been reported as drop-out. The highest drop-out rates were recorded in UP (65% candidates), AP (50% candidates) and Chhattisgarh (43% candidates).</p>	<ul style="list-style-type: none"> <li>UP centers have been discontinued in C6. Retention performance in UP has consistently been low, primarily due to candidates being placed in Delhi NCR, where high cost has emerged as a significant factor driving dropout rates.</li> <li>Removed underperforming centres in C6. IO1 have discontinued 47% (7/15) centres from C5 and have added 6 new better performing centres for SIB.</li> </ul>
<p><b>2. Employer level risk</b> Of the 10 employers where the candidates were placed in C5, 87% (8/9 employers) were small-scale employers with only 13 employers hiring more than 50 candidates. The major reasons for drop-out has been poor workplace conditions - like shift timings and low salary, etc.</p>	<ul style="list-style-type: none"> <li>In C6, IO1 is moving from placing candidates in multiple small scale employers to placing them with employers who recruit in bulk.</li> <li>Negotiated better financial and social benefits: IO1 negotiated with employers to provide full salary with social benefits from Day 1, as earlier they were hiring candidates on probation period for first three months with lesser salary and no social benefits.</li> <li>Dynamic employer performance analysis and discontinuing employers.</li> </ul>
<p><b>3. Candidate level risk</b> In C5, dropouts increased among small-scale local employers due to candidates taking extended festival leave and inconsistent work opportunities. Higher discordance rates (in previous cohorts) were due to miscommunication, as some candidates misinterpreted verification calls as job offers, leading them to misreport their placement status to explore better opportunities.</p>	<ul style="list-style-type: none"> <li>Maintain a healthy balance of 40% local and 60% migratory placement in CA.</li> <li>Involve placement team in screening of candidates to look for candidate's interest towards employment, readiness, and willingness towards and migration for employment as in cohort 5.</li> <li>Provide better orientation to candidates during training and placement so that candidates can report their placement and retention status accurately while receiving the calls.</li> </ul>

d) Verification

**Note on cohort 5 placement underperformance: Potential self-selection bias in achieved verification sample**

	PMU reported	Verified after resolving for T-1 AND T-2 discordance	Verified after resolving for T-1 AND T-2 discordance	Final verified [min(OPM+1%, PMU)]
<b>Overall</b>	79%	82%	76%	77%
Male	77%	85%	78%	77%
Female	79%	79%	75%	78%
<b>IO 1</b>	81%	81%	74%	75%
Male	70%	84%	72%	73%
Female	82%	79%	75%	78%
<b>IO 2</b>	71%	75%	69%	70%
Male	69%	76%	69%	70%
Female	72%	73%	69%	70%
<b>IO 3</b>	88%	95%	93%	88%
Male	95%	98%	96%	96%
Female	85%	89%	87%	88%

*In OPM-verified results, if both Type-1 and Type-2 discordances are resolved, the achievement should match or exceed PMU reported figures. However, in Cohort 5, IO 1 exhibit negative self-selection bias for female candidates. Although the OPM sample drawn is statistically significant at the level of discordance between the drawn and achieved sample case variations in candidate representation, in this case it is likely that proportion of employed candidates was higher in verification survey. For instance, female candidates show a placement rate of 77% after resolving all Type-1 discordances but before addressing Type-2, compared to the PMU reported 83%, highlighting the negative impact of self-selection bias. To address this, the PMU, supported by SIB, is working with service providers to improve response rates, particularly among successfully placed candidates.*

- These are examples from a stakeholder update deck, which includes data on outcomes, key trends, and verification data with insights
- This data helps the consortium make portfolio-level decisions

Ensure updates are data-driven and action-oriented, with concrete recommendations; e.g.,:

- changing job roles/sector focus, if there is no supply side pull from candidates
- instituting pre-placement workshops with employers, if there is a pattern of employer disengagement
- discontinuing employers if desired wage levels and/or working conditions are not met

# Outcome monitoring and verification: A case study

## Re-designing Certification Verification: Solving Delays, Errors, and Mistrust Through System Design

**Context:** In SIB's Cohort 1, two key issues emerged in certification verification: (a) There was a significant delay between candidate assessment and certificate upload, delaying verification; and (2) High discordance was observed between submitted documents and candidate survey responses to evaluator.

### What we did:



**Mapped the end-to-end certification process:** Tracked how results moved from assessment agencies to candidates and evaluators. Found that assessment results were shared informally over email, with service providers manually prepared and uploaded the certificate on SIDH portal. Candidates, often, only received the printed copy of the certificate after completing 3-months or retention.



**Validated data against both documents and candidate responses:** Analysed discrepancies across all three touchpoints — evaluator survey, IO-uploaded documents, and actual assessment records. Identified clerical errors in IO data upload and timing gaps as core issues.



**Designed a streamlined, system-led process:** Designed a new data workflow where assessment results were directly uploaded by the assessment agencies onto the SIDH portal which was then auto-mapped to each candidate, and converted into auto-generated, recognized digital certificates, removing IO-level friction entirely



**Facilitated alignment and decision-making:** Coordinated across NSDC to enable the required product update on the SIDH portal, worked with the evaluator to align the new certification flow with the outcome's framework, and secured Steer-Co approval to formally adopt the revised verification approach (document led versus candidate response led) for all future cohorts.

**Impact:** The revised certification flow led to a significant drop in verification discordance, with internal verification yielding a < 1% discordance in reported outcomes. From Cohort 3 onward, candidate surveys were no longer required for certification validation — marking a shift to fully system-based verification.

# Outcome monitoring and verification: A case study

## Addressing Structural Weaknesses in Verification: From Decentralised Silos to Centralised Oversight

**Context:** An implementing organisation's verification data when triangulated with the PM's and the evaluator's data showcased significant discordance in outcomes with c. 40% of candidates from a particular centre rejecting placement outcomes, jeopardising data integrity and accountability at scale.

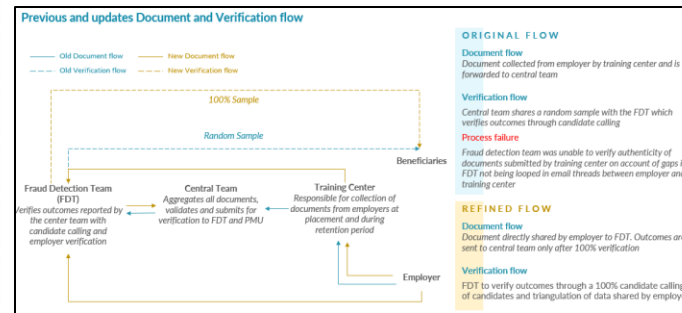
### What we did:

#### End-to-end issue diagnosis

- The PM mapped roles and workflows across placement, employer engagement, and verification and identified **structural overlaps and conflict points**
- The PM then unpacked the root causes behind the verification breakdowns, which included decentralization of verification process and conflicts of interest among the team responsible
- This surfaced organisational blind spots and lack of formal oversight

#### Leadership workshop to design a new verification governance structure

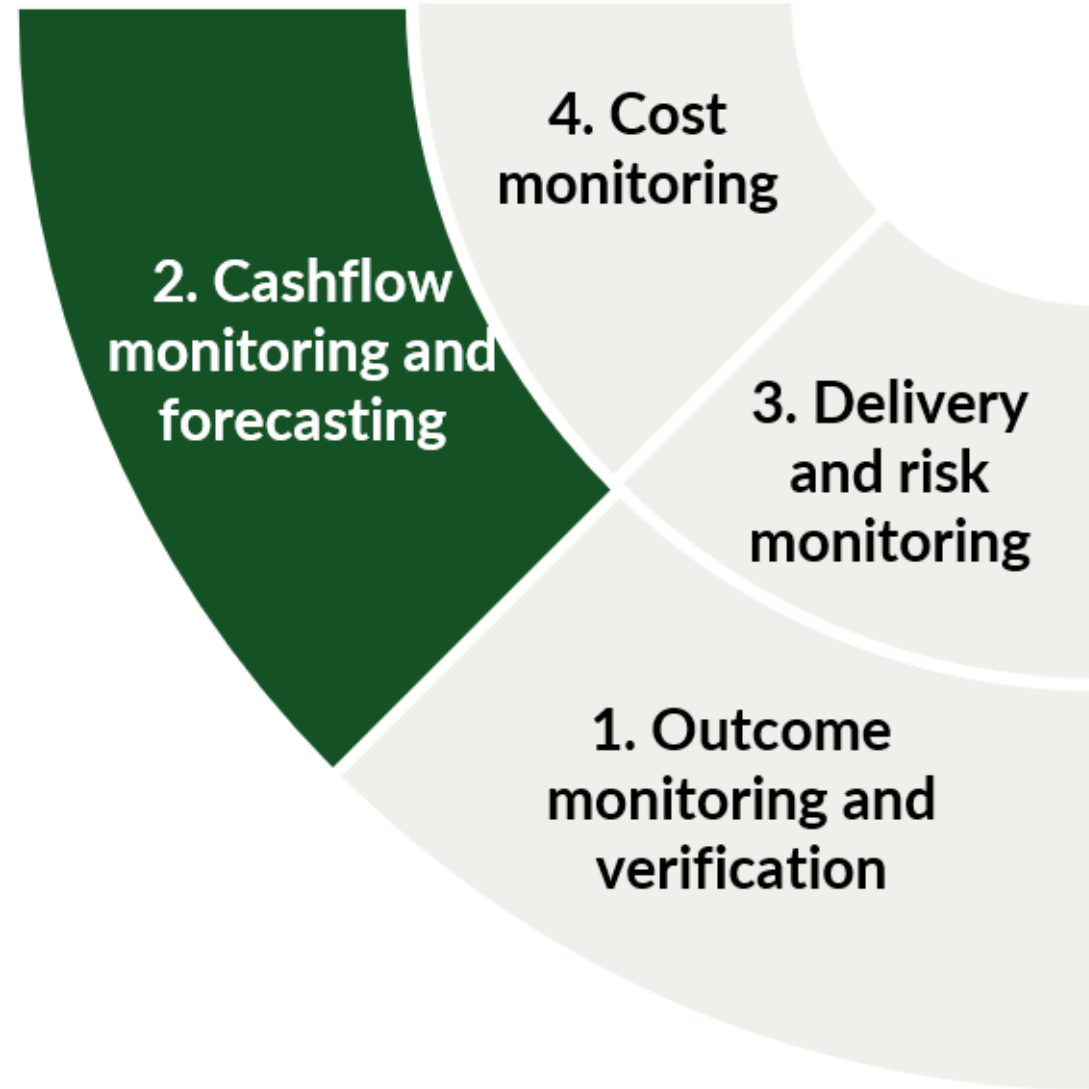
- Reassigned verification from field teams to a central unit
- Clearly delineated the roles of teams responsible for employer engagement, document collection, and verification
- Defined feasible centralised points for verification, while acknowledging operational realities and resource constraints



< This snapshot compares the older and updated verification flows

**Impact:** There was a 50% reduction in discordance cases owing to improved document collection and compliance, and stronger employer engagement.

**Block 2:**  
**Cashflow  
monitoring and  
forecasting**



# Cashflow monitoring and forecasting: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Keep a record of all actual cashflows, as outcomes start realizing, and flag payment risks
- Update calculations of future payments and expected end-of-bond returns, especially supporting investor decisions

## Why is it important?

- Enables stakeholders to complete their payments on time
- Helps optimise investor return through data-driven decisions

## How to do it?

1. Monitor actual cashflows and flag issues
2. Update projections of cashflows and end-of-program returns
3. Advise investors on financial decisions
4. Continuously communicate with IOs on behalf of investors

# Cashflow monitoring and forecasting: A deep dive

Define

Enable

Monitor

Embed



- i. Track all outcome-linked inflows (OFs to RIs) and outflows (RIs to IOs), including proportionate split between funders and investors
- ii. Flag payments due/delayed, bottlenecks (e.g., verification slippage, disbursement lags), or risks (e.g., low fund utilization among IOs)

- i. Update the cashflow model using realised outcomes and cashflow data
- ii. Update investors on evolving projections of future payments and end-of-program returns

- i. Support investors in taking decisions for optimizing financial returns—e.g., payment scaling/halting/re-allocation, change in outcome price, etc.

- i. Throughout the program, update IOs regarding any changes in payment amounts or timelines, enabling proactive planning

**OUTPUTS:**  
Stakeholders' financial obligations met

Updated projections of cashflows/payments and returns

Investor decision-making for return optimization

Timely information sharing with IOs




## Going from good to great!

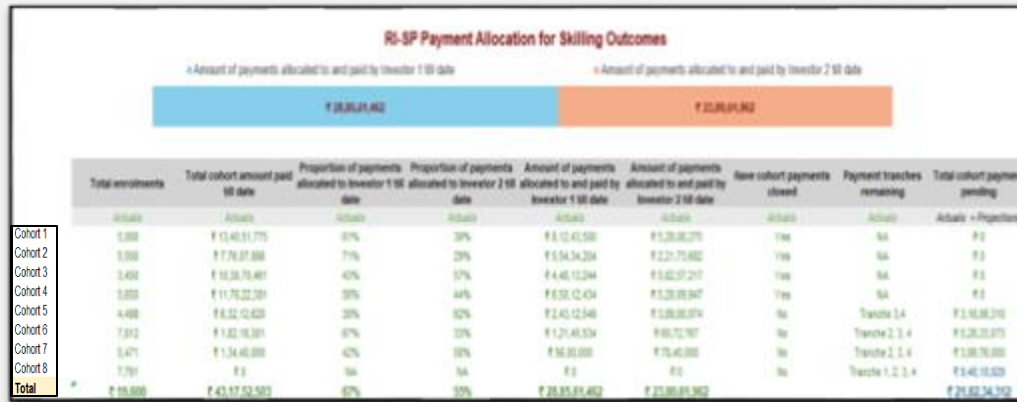
- ✓ Act as a trusted bridge between investors and IOs, continuously communicating updates with both parties to help with decision-making and proactive planning, thus minimising disruption
- ✓ Align payment timelines with other processes, such as verification and milestone delivery schedules, helps ensure disbursements happen on time

# Deep dive 1 in practice: Monitor actual cashflows and flag issues


## The Performance manager maintains and provides the investors with a detailed record of all actual outcome-linked payments

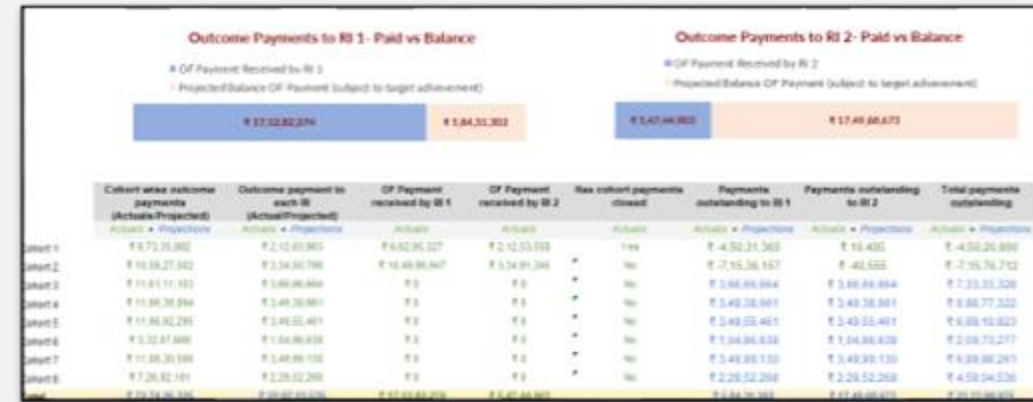
SIB dashboard for payments from investors to IOs

 [RI financial management template](#)



SIB dashboard for payments from funders to investors

 [RI financial management template](#)



- Tracks all payments from investors to IOs
- This is backed by a detailed record of payment amounts (including investor split), dates, descriptions (i.e., programmatic milestones), contribution type (i.e., FCRA/ non-FCRA)

- Tracks all payments from funders to investors

- ★ Align with investors on headline metrics, dashboard structure, cuts and visuals before starting work on the detailed input sheets
- ★ Link every line item to supporting documents (e.g., bank references), so the model doubles as your audit trail
- ★ Automate wherever possible; e.g., by using look-ups and ageing formulas to automatically flag overdue or over/under-payments

# Deep dive 1 in practice: Monitor actual cashflows and flag issues

## Early flagging of payment risks by the performance manager helps investors and funders to be prepared for potential implications


The performance manager flags payment-related issues/risks to funders, investors, IOs as relevant

Category	Flag Type / Risk	Description / Trigger	Implications
Payment delays	⚠ Payment not received on time (OF → RI or RI → IO)	Disbursement not processed by agreed timeline	IO liquidity crunch, disrupted program delivery
	⚠ Payment not received in full	Partial disbursement without clarification	Misalignment with planned cashflows, confusion for IOs
Verification issues	⚠ Delay in outcome verification	Evaluator delay, data issues, or pending clarification	Postpones payment schedule, affects trust and pacing
	⚠ Discrepancy in verification vs. reported data	Data mismatch discovered during validation	Potential impact on disbursement amount or timeline
Forecast mismatches	⚠ Forecasted vs. actual performance gap	Underperforming vs. expected outcome numbers	Return projections shift, may trigger investor recalibration
	⚠ Unexpected cost increase per outcome	Higher costs than budgeted due to inflation, dropout, or delivery inefficiencies	Strains investor return estimates, potential risk to financial sustainability
Fund utilisation issues	⚠ Low fund utilisation among IOs	IOs have received funds but spent significantly less	Triggers scrutiny on delivery pace or absorption capacity; Create compliance and regulatory risk
	⚠ High burn rate without corresponding outcomes	IOs spending heavily but not delivering outcomes	Signals inefficiency or delivery risk
Disbursement bottlenecks	⚠ Administrative bottlenecks in payment release	Approval delays, contract issues, escrow conditions not met	Disbursement stalls
Investor/funder-specific	⚠ Cross-investor/funder imbalance in fund disbursement	One investor/funder disbursing slower/faster than others in a pooled fund model	Misalignment in cashflows, fairness or return exposure concerns
	⚠ Risk of fund exhaustion before program close	Burn rate higher than planned, reserve not sufficient	Triggers portfolio reallocation or cost containment strategies




# Deep dive 2 in practice: Update projections of cashflows and end-of-program returns

Updates to cashflow projections provides investors complete visibility into future payments

SIB cashflow projection model—showcasing both inflows and outflows for investors

 [RI financial management template](#)

Payment Dates	27 Aug 2024	10 Sep 2024	11 Sep 2024	14 Sep 2024	17 Oct 2024	21 Oct 2024	5 Nov 2024	26 Nov 2024	5 Dec 2024	15 Jan 2025	11 Feb 2025	14 Feb 2025
<b>Programmatic</b>												
<b>Inflow</b>												
RI Inflow - Programmatic	₹ 6,36,26,559	₹ 0	₹ 5,43,59,026	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 89,07,931	₹ 0	₹ 0	₹ 0
RI1	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
RI2	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
RI3	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 89,07,931	₹ 0	₹ 0	₹ 0
RI4	₹ 0	₹ 0	₹ 5,43,59,026	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
Aggregate	₹ 6,36,26,559	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
<b>Outflow</b>												
RI Outflow - Programmatic	₹ 0	₹ 2,15,09,817	₹ 0	₹ 1,10,88,781	₹ 35,59,297	₹ 2,98,69,446	₹ 1,02,17,271	₹ 68,56,719	₹ 72,33,458	₹ 1,22,59,826	₹ 92,42,006	₹ 1,61,93,717
SP1	₹ 0	₹ 1,93,22,911	₹ 0	₹ 1,10,88,781	₹ 35,59,297	₹ 0	₹ 0	₹ 0	₹ 0	₹ 88,59,826	₹ 92,42,006	₹ 0
SP2	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP3	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP4	₹ 0	₹ 12,65,077	₹ 0	₹ 0	₹ 0	₹ 1,62,18,183	₹ 0	₹ 54,35,597	₹ 0	₹ 0	₹ 0	₹ 59,71,875
SP5	₹ 0	₹ 9,21,828	₹ 0	₹ 0	₹ 0	₹ 1,08,09,213	₹ 1,02,17,271	₹ 0	₹ 72,33,458	₹ 0	₹ 0	₹ 93,17,558
SP6	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP7	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP8	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP9	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0
SP10	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 28,42,050	₹ 0	₹ 14,21,122	₹ 0	₹ 0	₹ 0	₹ 9,04,284
Pilot Payments	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 0	₹ 34,00,000	₹ 0	₹ 0
<b>Net programmatic cash flow</b>	₹ 6,36,26,559	-₹ 2,15,09,817	₹ 5,43,59,026	-₹ 1,10,88,781	-₹ 35,59,297	-₹ 2,98,69,446	-₹ 1,02,17,271	-₹ 68,56,719	₹ 16,74,473	-₹ 1,22,59,826	-₹ 92,42,006	-₹ 1,61,93,717
Cumulative programmatic cash flow	₹ 55,81,557	-₹ 1,59,28,260	₹ 3,84,30,765	₹ 2,73,41,984	₹ 2,37,82,687	-₹ 60,86,759	-₹ 1,63,04,030	-₹ 2,31,60,749	-₹ 2,14,86,275	-₹ 3,37,46,101	-₹ 4,29,88,107	-₹ 5,91,81,825
IRR	2.9%	Not Applicable	18.1%	13.3%	11.7%	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

-  Align with investors on key assumptions such as performance levels, portfolio scale, verification discordance, exchange rate changes
-  Capture all revisions in a change-log, so that each and every shift in projections is fully auditable
-  Link projections to the live cashflow tracker; variance columns can be automated to flag when realized cashflows diverge from projections

# Deep dive 2 in practice: Update projections of cashflows and end-of-program returns


## Keeping cashflows and financial projections updated supports investors with outcome optimisation decisions

### SIB projection model—showcasing real-time key program and financial outcomes




End-of-program Programmatic Outputs	
End of Bond IRR	11.80%
IRR Cap breached	Yes
Investor 1 IRR	11.7%
Investor 2 IRR - In EUR	7.40%
Investor 2 IRR - In INR	12.01%
End-of-Programme Balance Funding	₹ 14,700 Million
Total Investment by Risk Investors	₹ 1044 Million
Total Funding by Outcome Funders	₹ 1263 Million
Difference between Outcome Payments and Risk Investment	₹ 219 Million
Weighted average price reduction - for men (cumulative)	14%
Weighted average price reduction - for women (cumulative)	16%
Total number of women retained	43000
Total number of men retained	37000
Total retained	80000
Excess women retained	6743
Excess men retained	3244
End of Programme Gender Ratio (cumulative)	53.8%
Total Enrolled	69164
Retention target achievement	114%
Enrolment target achievement	104%
End of Programme Outcome Price	
Average	₹ 21,034
Female	₹ 23,111
Male	₹ 20,006
Outcome Price for each Cohort 7	
Female	₹ 18,931
Male	₹ 17,605
Outcome Price for Cohort 8	
Female	₹ 20,800
Male	₹ 19,344
Outcome Price for Cohort 9	
Female	₹ 18,005
Male	₹ 16,745
Investment across each Investor	
Investor 1 Outflows	₹ 48,02,40,000
Investor 2 Outflows	₹ 56,37,60,000
Funding across each investor	
Investor 1 Inflows	₹ 59,24,59,560
Investor 2 Inflows	₹ 67,07,80,440

\*These are dummy numbers used for purposes of illustration

### Rationale for prioritizing tracking metrics

 [RI financial management template](#)

Key metrics	Rationale for tracking
<b>Investor Returns</b>	To monitor whether the end-of-bond IRR remains within the prescribed cap and ensure investor expectations are met.
<b>Investor Cashflow Distribution</b>	To ensure that each investor's inflow and outflow proportions are aligned, avoiding imbalances across investor risks and returns
<b>Funding Allocation</b>	To confirm that total outcome funding remains within the agreed cap and is optimally utilised to drive results.
<b>Outcomes target achievement</b>	To assess progress on core programmatic outcomes (e.g. retention, gender, employment) that directly impact return-linked payments and are contractual program obligations.
<b>Price per beneficiary</b>	To track the cost of delivering outcomes; also serves as a proxy to assess cost-efficiency (i.e. impact per unit of financial investment) and guide cost benchmarking

-  Track metrics that directly impact contractual targets and financial guardrails, such as IRR caps, outcome funding ceilings, and investor allocation rules.
-  Ensure the model is dynamic and linked to a clear source of truth — to allow real-time updates and minimise errors during scenario modelling or reporting
-  Every time assumptions change (e.g. pricing, retention), save a timestamped version and include a short rationale note for audit and investor alignment..

# Deep dive 3 in practice: Advice investors on financial decisions

## Performance Manager supports investor decision-making by highlighting key data/insights for the relevant decisions

Examples of Decisions	Data/Insight Needed	Outputs/Actions
How to allocate outcome funding across IOs?	<ul style="list-style-type: none"> <li>IO-level performance data</li> <li>Cost per outcome</li> <li>Risk-adjusted return</li> <li>Investment and Funding Caps</li> </ul>	Rebalanced allocations across IOs or cohorts
What portfolio mix yields best returns?	<ul style="list-style-type: none"> <li>Outcome price variations (say, by gender/sector)</li> <li>Segment performance trends</li> <li>Equity constraints</li> </ul>	Strategic adjustment in gender/ sector/ geography mix
What performance levels are needed to hit IRR targets?	<ul style="list-style-type: none"> <li>Break-even point analysis</li> <li>Performance-to-return correlation</li> </ul>	Adjust return expectations or set performance thresholds for IOs
Is the outcome price viable?	<ul style="list-style-type: none"> <li>IO delivery costs per outcome</li> <li>Investor return targets</li> <li>Outcome fund size</li> </ul>	Refined outcome pricing per outcome
Whether to continue, scale, or exit investment?	<ul style="list-style-type: none"> <li>Portfolio-level return tracking</li> <li>Strategic fit</li> </ul>	Extend funding, reduce exposure, or halt engagement

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# Cashflow monitoring and forecasting: A case study

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## Realigning Returns: A Mid-Bond Course Correction Story

### Context:

- At the outset of SIB, the PM had estimated end-of-bond returns (IRR) for investors, while aligning with the financial guardrails set by the consortium
- As these projections were based on modelled outcomes and expected funding flows, **actual returns ended up varying significantly**
- To address this, the performance manager initiated a **mid-point course correction to realign projected IRR with target levels**

### What we did:

**1** The PM **diagnosed reasons for the variation** between projected and actual IRR variations; e.g.,

- RI to SP Sliding scale—increase in the proportion of payments allocated to placement and retention, resulting in delayed outflows
- Incentives payments—projections assumed full payouts of performance incentives, while actual disbursement varied basis achievement on incentive targets

**2** Then, the PM modelled various **possible scenarios for IRR correction**; these models were based on changing a few levers such as:

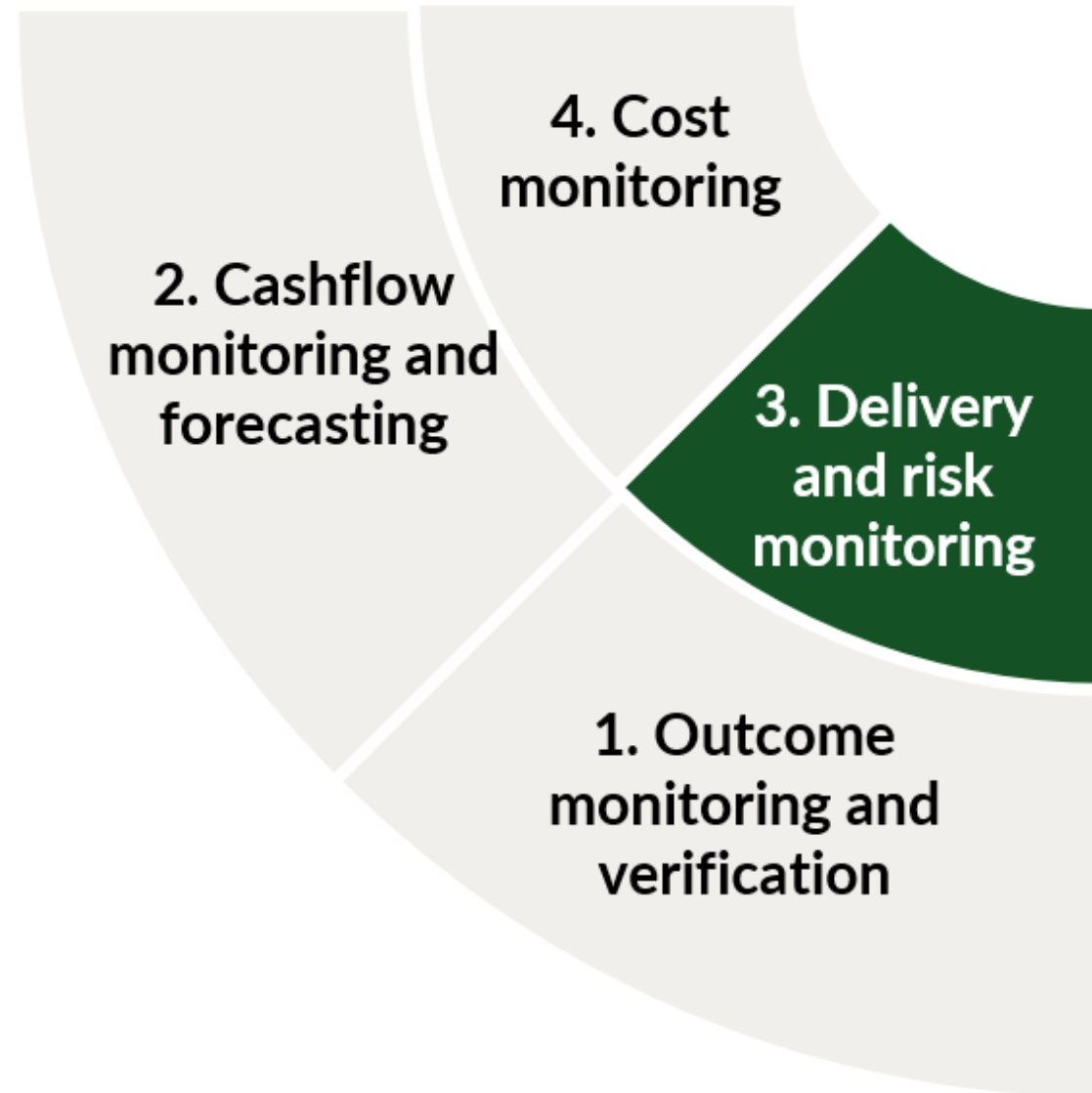
- Program scale
- Fund utilization levels
- Outcome price, outcome cost
- Outcome payments to investors

**3** Finally, the PM prioritised feasible scenarios for investors to choose from

Achieve FA targets till Cohort 8	Utilize complete funding till C8	Run C9 to utilize complete funding																																																																																					
<p><b>Scenario 1</b> Do not reduce price and forego receivable funding to the extent of IRR achievement</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td colspan="2"><b>Price Reduction</b></td></tr> <tr><td>Cohort 7 Price Reduction</td><td>0%</td></tr> <tr><td>Cohort 8 Price Reduction</td><td>0%</td></tr> <tr><td colspan="2"><b>Cohort Scale-up</b></td></tr> <tr><td>Cohort 7 Scale-up</td><td>13%</td></tr> <tr><td>Cohort 8 Scale-up</td><td>0%</td></tr> <tr><td>Balance Funding</td><td>₹ 2.82 Cr</td></tr> <tr><td>Due Funding to Forego</td><td>₹ 13.68 Cr</td></tr> <tr><td>Average Outcome Price</td><td>₹ 29,506</td></tr> <tr><td>Average Outcome Cost</td><td>₹ 28,467</td></tr> </table>	<b>Price Reduction</b>		Cohort 7 Price Reduction	0%	Cohort 8 Price Reduction	0%	<b>Cohort Scale-up</b>		Cohort 7 Scale-up	13%	Cohort 8 Scale-up	0%	Balance Funding	₹ 2.82 Cr	Due Funding to Forego	₹ 13.68 Cr	Average Outcome Price	₹ 29,506	Average Outcome Cost	₹ 28,467	<p><b>Scenario 2</b> Reduce Price in Cohort 7 &amp; 8 to the extent of the IRR achievement</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td colspan="2"><b>Price Reduction</b></td></tr> <tr><td>Cohort 7 Price Reduction</td><td>39%</td></tr> <tr><td>Cohort 8 Price Reduction</td><td>40%</td></tr> <tr><td colspan="2"><b>Cohort Scale-up</b></td></tr> <tr><td>Cohort 7 Scale-up</td><td>13%</td></tr> <tr><td>Cohort 8 Scale-up</td><td>0%</td></tr> <tr><td>Balance Funding</td><td>₹ 16.58 Cr</td></tr> <tr><td>Due Funding to Forego</td><td>₹ 0</td></tr> <tr><td>Average Outcome Price</td><td>₹ 29,482</td></tr> <tr><td>Average Outcome Cost</td><td>₹ 28,467</td></tr> </table>	<b>Price Reduction</b>		Cohort 7 Price Reduction	39%	Cohort 8 Price Reduction	40%	<b>Cohort Scale-up</b>		Cohort 7 Scale-up	13%	Cohort 8 Scale-up	0%	Balance Funding	₹ 16.58 Cr	Due Funding to Forego	₹ 0	Average Outcome Price	₹ 29,482	Average Outcome Cost	₹ 28,467	<p><b>Scenario 3</b> Reduce price in Cohort 7 &amp; 8 to the extent IRR achievement and utilize complete outcome funding</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td colspan="2"><b>Price Reduction</b></td></tr> <tr><td>Cohort 7 Price Reduction</td><td>30%</td></tr> <tr><td>Cohort 8 Price Reduction</td><td>13%</td></tr> <tr><td colspan="2"><b>Cohort Scale-up</b></td></tr> <tr><td>Cohort 7 Scale-up</td><td>52%</td></tr> <tr><td>Cohort 8 Scale-up</td><td>45%</td></tr> <tr><td>Balance Funding</td><td>₹ 1.1 Cr</td></tr> <tr><td>Due Funding to Forego</td><td>₹ 0</td></tr> <tr><td>Average Outcome Price</td><td>₹ 29,392</td></tr> <tr><td>Average Outcome Cost</td><td>₹ 28,261</td></tr> </table>	<b>Price Reduction</b>		Cohort 7 Price Reduction	30%	Cohort 8 Price Reduction	13%	<b>Cohort Scale-up</b>		Cohort 7 Scale-up	52%	Cohort 8 Scale-up	45%	Balance Funding	₹ 1.1 Cr	Due Funding to Forego	₹ 0	Average Outcome Price	₹ 29,392	Average Outcome Cost	₹ 28,261	<p><b>Scenario 4</b> Reduce Price in Cohort 7 &amp; 8 to the extent of the IRR achievement</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td colspan="2"><b>Price Reduction</b></td></tr> <tr><td>Cohort 7 Price Reduction</td><td>15%</td></tr> <tr><td>Cohort 8 Price Reduction</td><td>15%</td></tr> <tr><td>Cohort 9 Price Reduction</td><td>12.1%</td></tr> <tr><td colspan="2"><b>Cohort Scale-up</b></td></tr> <tr><td>Cohort 7 Scale-up</td><td>8%</td></tr> <tr><td>Cohort 8 Scale-up</td><td>0%</td></tr> <tr><td>Cohort 9 Scale-up</td><td>0%</td></tr> <tr><td>Balance Funding</td><td>₹ 1.35 Cr</td></tr> <tr><td>Due Funding to Forego</td><td>₹ 0</td></tr> <tr><td>Average Outcome Price</td><td>₹ 30,859</td></tr> <tr><td>Average Outcome Cost</td><td>₹ 29,831</td></tr> </table>	<b>Price Reduction</b>		Cohort 7 Price Reduction	15%	Cohort 8 Price Reduction	15%	Cohort 9 Price Reduction	12.1%	<b>Cohort Scale-up</b>		Cohort 7 Scale-up	8%	Cohort 8 Scale-up	0%	Cohort 9 Scale-up	0%	Balance Funding	₹ 1.35 Cr	Due Funding to Forego	₹ 0	Average Outcome Price	₹ 30,859	Average Outcome Cost	₹ 29,831
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**Impact:** The PM’s analysis of feasible pathways in detail (such as outcome price revision, managing outcome funding, scaling operations, accounting for domestic vs foreign funding) enabled investors to choose the most viable pathway, ultimately bringing IRR closer to originally targeted levels

**Block 3:**  
**Delivery and  
risk monitoring**



# ○ Delivery and risk monitoring: An overview

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## What does it include?

- Track IO performance, progress on lead indicators, and risks on an ongoing basis
- Identify what is driving and holding back IO performance, and advise IOs on strategy adaptation to keep outcomes on track

## Why is it important?

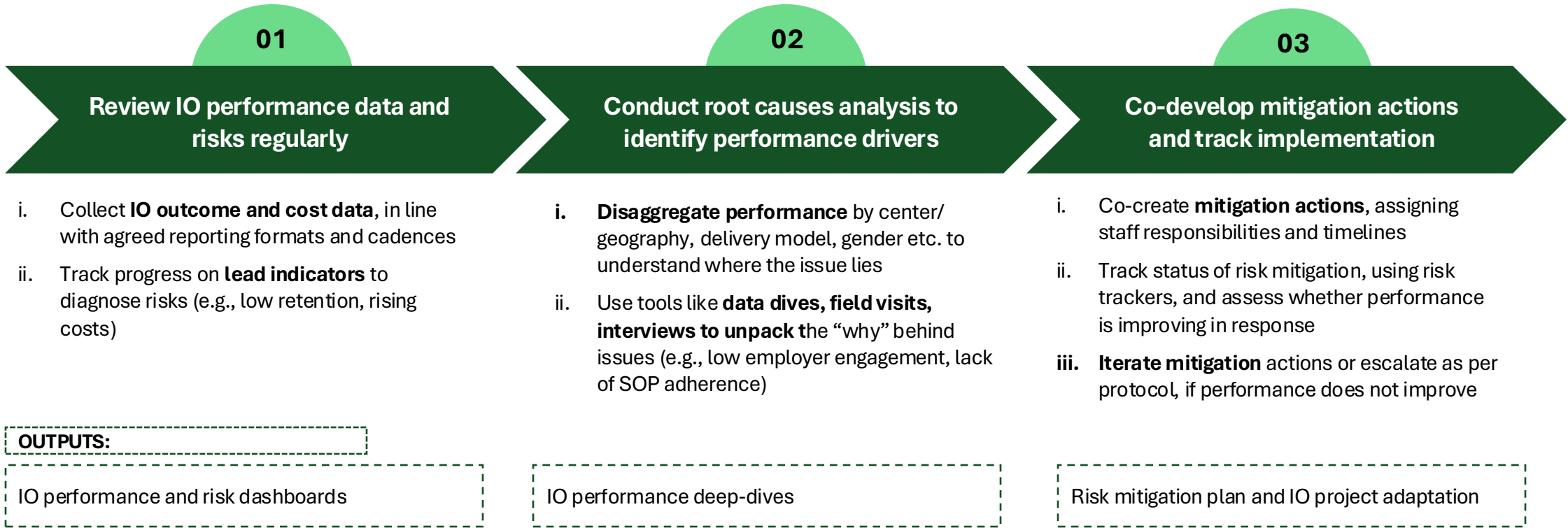
- Fosters accountability and learning among IOs
- Enables early risk detection through continuous tracking
- Ensures root causes of poor performance are addressed, rather than just symptoms

## How to do it?

1. Review IO performance data and risks regularly
2. Conduct root causes analysis to identify performance drivers
3. Co-develop mitigation actions and track implementation

# Delivery and risk monitoring: A deep dive

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## Going from good to great!

- ✓ Distinguish between systemic, org-specific, or context-driven root causes of performance risks/issues
- ✓ Ensure mitigation actions are SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound); include both immediate fixes and long-term solutions in the mitigation plan



# Deep dive 2 in practice: Conduct root causes analysis to identify performance drivers

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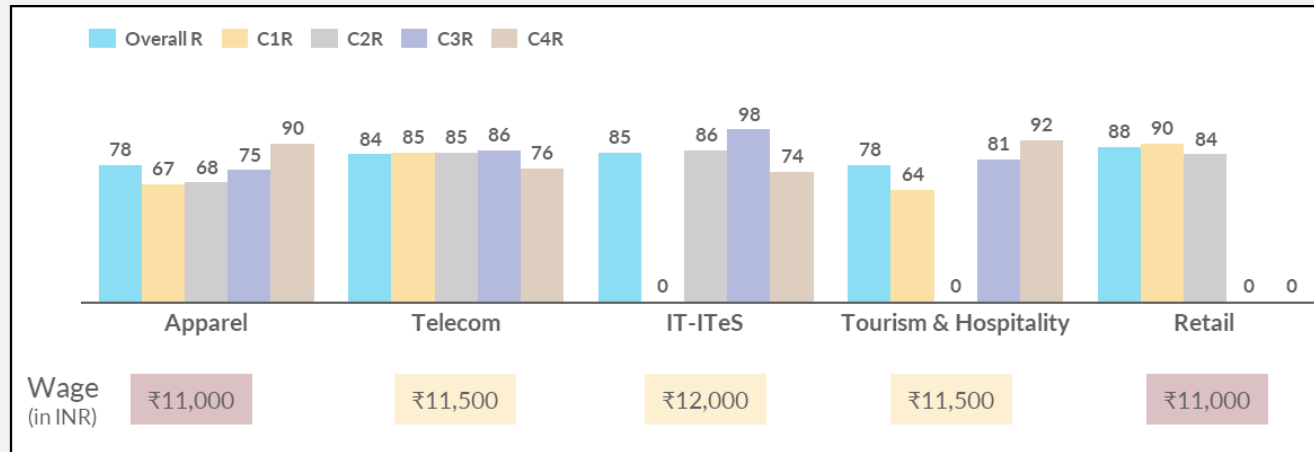
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## Disaggregated data analysis and reflective discussions with IOs help diagnose what's driving good/poor performance

SIB—tracking of sectoral performance trends, which later enabled diagnosis of effective skilling models in apparel



- The apparel sector had low overall retention—noticeably low in cohorts 1-3
- However, retention in the sector consistently increased cohort-on-cohort, especially witnessing a jump in cohort 4
- In discussions with IOs, the performance manager found that one apparel skilling model outperformed the others—its scale-up in new geographies and service sector roles (e.g., logistics) led to higher retention



Surface-level gaps (e.g., differences in retention) often mask root drivers like job-role mismatch or wage differentials; instead, focus on the “iceberg” question—in discussions with IOs, drill into the root cause until you can phrase each risk as a single, testable hypothesis.

Supplement data with field perspectives (trainer logs, interview snippets) to validate patterns and avoid over-reacting to outliers in small sample sizes



# Deep dive 2 in practice: Conduct root causes analysis to identify performance drivers

Deeper analysis of challenges helps identify root causes, and not just symptoms, helping drive effective improvements

## SIB—root cause analysis of drop-out reasons

Drop-out reason	No. of Female	No of Male	Female %	Male %
Challenges due to employer	16	2	2%	1%
Challenges due to migration	62	18	8%	9%
Health	117	18	15%	9%
Marriage	47	0	6%	0%
Not interested in working	59	17	8%	9%
Others	330	128	43%	65%
Resistance from family	133	15	17%	8%
<b>Grand Total</b>	<b>764</b>	<b>198</b>	<b>100%</b>	<b>100%</b>

- The IO and PM looked into the various reasons of drop-out among females and males



Three main reasons and associated actions emerged:

- 1. Others:** A high percentage of responses were classified under this, indicating gaps in codification and/or insufficient tracking of drop-out reasons. This indicated the need to strengthen follow-up mechanisms.
- 2. Resistance from family:** This was particularly high among women, which aligns with what literature suggests. There was a need identified for great family engagement starting from the enrolment stage itself.
- 3. Health:** Health-related challenges were also consistently reported across cohorts and IOs. These insights directly informed the design of a health pilot under SIB, which focused on addressing mental and physical health challenges.

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# Deep dive 3 in practice: Co-develop mitigation actions and track implementation

Diagnosis of root issues driving poor performance is followed by recommended mitigation plans for IOs

SIB—risk mitigation plan for one of the IOs to address an increasing drop-outs and lowering retention rates

#	Drivers for poor performance	Specific action	Measure of success	Assigned owner	Relevance link	Time-bound checkpoint
1	Centre / geography risk—high drop-out in UP, AP, Chhattisgarh	<ul style="list-style-type: none"> <li>Phase out the 4 worst-performing centres (<math>\geq 30</math> pp below portfolio retention)</li> <li>Open 4 new centres in Rajasthan &amp; Gujarat with <math>\geq 75</math> % historical retention</li> </ul>	<ul style="list-style-type: none"> <li>New-centre retention <math>\geq 70</math> % by C6</li> <li>Portfolio retention +4 pp vs C5</li> </ul>	PM Regional Lead	Removes chronic low-performing nodes pulling down outcomes	Close & open actions finished 30 Jun; retention review 31 Dec
2	Employer-level risk—small, low-benefit firms	<ul style="list-style-type: none"> <li>Shift <math>\geq 60</math> % of placements to “Tier A” employers (<math>\geq 200</math> staff &amp; <math>\geq 70</math> % 3-mo retention)</li> <li>Sign MoUs guaranteeing <math>\geq ₹12</math> k wage + ESI/PF</li> <li>Drop any employer with <math>&lt; 60</math> % retention in two cohorts</li> </ul>	<ul style="list-style-type: none"> <li><math>\geq 60</math> % Tier A mix from C6.</li> <li>Avg. wage +<math>₹1</math> k vs C5.</li> <li>Employer-level retention <math>\geq 72</math> % by C7</li> </ul>	IO Placement Manager (monitored by PMU)	Tackles poor workplace-conditions; lifts wage & retention KPIs	MoUs signed 15 Aug; mix & retention checked each cohort
3	Candidate-level risk—migration mismatch & weak pre-placement prep	<ul style="list-style-type: none"> <li>Day-0 migration-willingness screen &amp; career-fit quiz for 100 % intakes</li> <li>Keep placement split at 40 % local / 60 % migratory</li> <li>Add 2-hour orientation on wages, hostel life, grievance redressal</li> </ul>	<ul style="list-style-type: none"> <li>Screening logged for 100 % new intakes</li> <li>Placement split within <math>\pm 5</math> pp of 40/60</li> <li>Migratory-candidate retention <math>\geq 65</math> % in C7 (up from 57 %)</li> </ul>	IO Mobilisation Lead	Aligns jobs to candidate preference; cuts early drop-outs	Screening live 1 Jul; split & retention variance flagged monthly



Anchor each action to the live outcomes tracker, so baseline values and targets update automatically as new data flows in



Keep it to 3-5 highest-value actions (e.g., most critical risks); carry lower-priority actions in a separate backlog to avoid crowding the plan

# Delivery and risk monitoring: A case study

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## Fixing the Leaks: Strengthening Retention Through Targeted Employer Insights

**Context:** One of the IOs under SIB faced persistent post-placement retention challenges. In a specific cohort, the IO's retention level was projected at 66%, which was below the 70% SIB target.

### What we did:

**1 Employer archotyping:** The PM analyzed cohort-on-cohort retention trends, categorised employers into archetypes (stable, declining, and high-risk), and found out that 60% of attrition was concentrated among just three employers

Based on the historical cohort on cohort analysis, the employers can be bucketed into three categories

**Archetype 1: Stable employers with recent challenges (32%)**  
These employers have historically demonstrated strong or on-par performance compared to cohort averages but are experiencing temporary challenges in the latest cohort (C6)

**PMU recommendations:** Closely monitor C6 performance, and deploy additional retention seeks at workplace location. Create "rapid response" groups of IO and employer focused workshops to investigate and resolve emerging issues.

**Archetype 2: Declining employers with emerging risks (17%)**  
These employers initially demonstrated strong performance but have shown a downward trend in retention and placement outcomes

**PMU recommendations:** Diagnose employer-specific candidate concerns and address these gaps with the management; if corrective actions are not taken, consider discontinuation from future cohorts

**Archetype 3: Consistently high-risk employers (28%)**  
Employers in this category have historically underperformed, with significantly higher dropout rates than the cohort average, indicating systemic challenges

**PMU recommendations:** Discontinue employer participation in future cohorts; document learnings to refine employer selection criteria and strengthen due diligence and screening process to prevent risks

**Figure: Cohort 1 to Cohort 6 post-placement drop-out analysis by archetypes**

*Note: C6 post-placement drop-out is not finalised, and projected to be 26% of candidates placed*

**2 Intra-archetype analysis:** The PM then identified specific challenges for each archetype (e.g., poor wages and working conditions)

SI	Archetype	Key Challenge Identified	Mitigation plan/next step
1	Archetype 1: Stable Employers (32% of placement base)	<ul style="list-style-type: none"> <li>Consistent performance but limited capacity for scale (avg. ~25-30 placements/quarter)</li> <li>Moderate long-term retention (~70-75%)</li> </ul>	<ul style="list-style-type: none"> <li>Retain key accounts as anchor employers but actively build new partnerships to avoid over-reliance.</li> <li>Target adding 2-3 new large-scale employers to diversify risk.</li> </ul>
2	Archetype 2: Declining Employers (17%)	<ul style="list-style-type: none"> <li>Wage stagnation observed (avg. ₹12.5K vs. cohort median ₹14K)</li> <li>Dropping retention rates (~55-60%) over 2 cohorts</li> <li>Limited visibility on future demand</li> </ul>	<ul style="list-style-type: none"> <li>Temporarily pause new placements. Monitor employer pipeline and re-engage only if demand strengthens.</li> <li>For 30-40% of current placements, explore reallocation to stable employers or sectors.</li> </ul>
3	Archetype 3: Consistently High-Risk (29%)	<ul style="list-style-type: none"> <li>High incidence of Type 2 discordance cases (avg. ~20-25%)</li> <li>Frequent wage mismatch grievances: ~40% citing pay as a dropout reason</li> <li>High turnover during the first 2 months</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise exit from high-risk employers. For critical accounts, push for revised wage and work terms; if unresolved, discontinue.</li> <li>Implement stronger candidate orientation for ~60% of remaining candidates to set expectations.</li> </ul>
4	Cross-Archetype Themes	<ul style="list-style-type: none"> <li>60% of total dropouts concentrated in 4 employers</li> <li>75% of placements in apparel sector, leading to sectoral concentration risk</li> </ul>	<ul style="list-style-type: none"> <li>Diversify sectors—pilot at least 2-3 service-sector roles.</li> <li>Explore placements in emerging geographies beyond current hubs to dilute risk profile.</li> </ul>

**3 Mitigation planning:** Finally, the PM helped the IO co-create mitigation plans for IOs

- Candidate-focused—conduct pre-placement counseling sessions; reiterate job roles, wages, and policies before joining; strengthen retention verification processes; re-allocate candidates to other employers
- Employer-focused—build new employer relationships and diversify sectors; drop high-risk employers; negotiate revised wage and work terms

**Impact:** Data-driven risk mitigation improved this IOs candidate retention rates by 10%. The IO broadened its employer base, which reduced over-reliance on a few employers and strengthened the process of retention proof submission. This led to reduced candidate attrition and lowered Type 2 data discordance rates (i.e., when the candidate agrees to being placed and/or retained but there are no document proofs).

# Delivery and risk monitoring: A case study

## Managing Underperformance: Balancing Support, Improvement, and Exit

**Context:** One of the IOs under SIB followed a women-first, single-geography model, with a focus on migratory placements in the apparel sector. However, the IO recorded 15% underperformance against placement and retention targets, raising concerns about the sustainability of their model.

### What we did:

1

#### Diagnosed performance drivers

##### Employment model-related

- Employer profiles skewed towards small, seasonal-demand firms
- Lack of sectoral diversity was creating concentration risk
- Candidate feedback showed poor amenities and uncertain wages among certain employers

##### IO or candidate-related

- Underperforming centres had poor mobilisation strategies
- Candidates preferred other employment locations

2

#### Developed a performance improvement plan

##### Phase 1: De-risk and diversify model

- Dropped 80% of low-performing employers; scaled strong accounts
- Introduced two new service-sector roles, leveraging learnings from other programs

##### IO or candidate-related

- Closed operations in two under-performing centres
- Initiated health camps during training to improve candidate migration readiness

As a result, placement and retention rates improved by 7 p.p. and long-term retention improved by c.10%

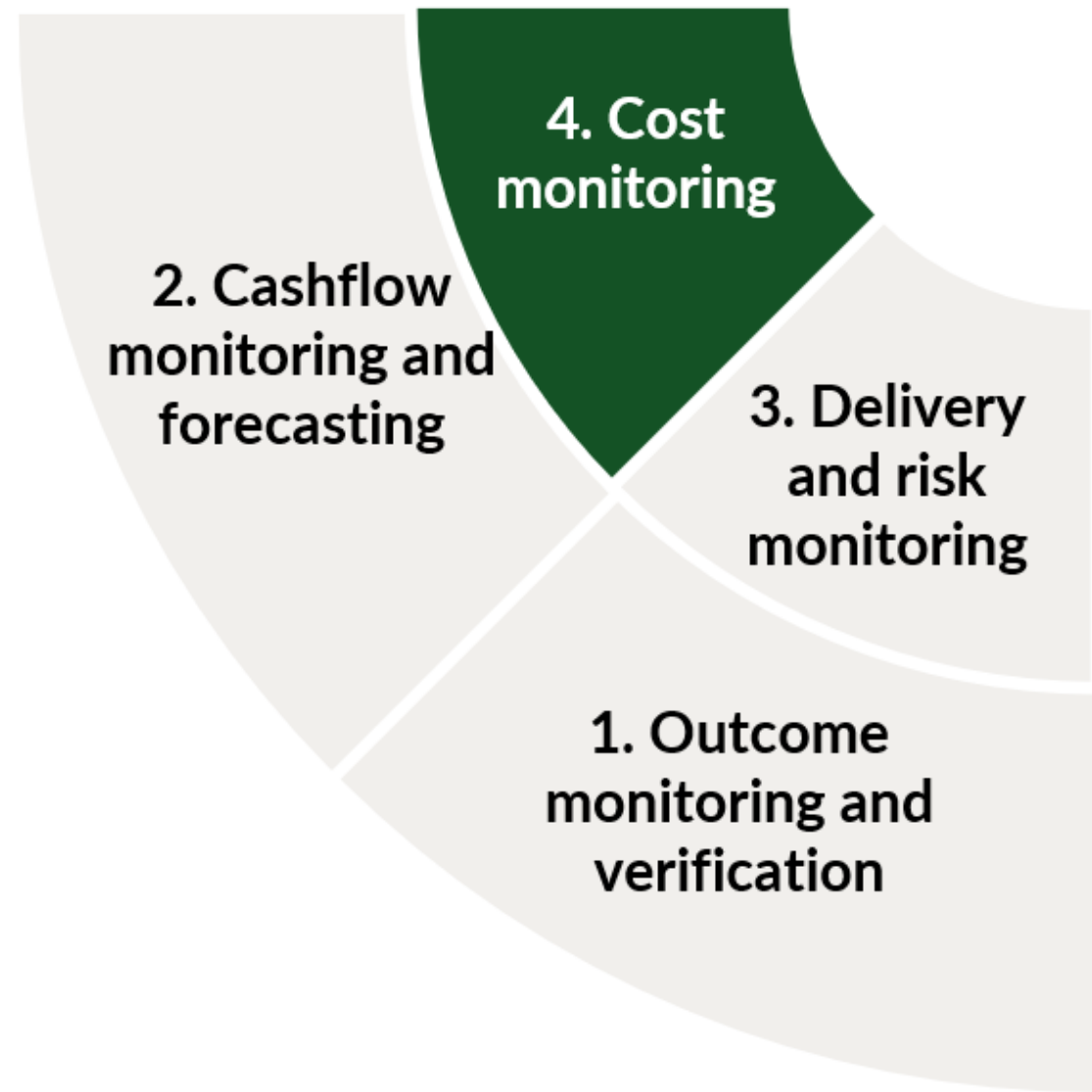
3

#### Facilitated offboarding

- The PM showcased a detailed analysis of the IO's performance and improvement trajectory
- However, since the IO was still performing below targets and there was limited potential for further improvement, investors decided to offboard the IO
- The PM deployed a transition plan for smooth exit and consolidation of learnings

**Impact:** We enhanced performance in subsequent cohorts and enabled investors to de-risk their portfolios.

**Block 4:**  
**Cost  
monitoring**



# ○ Cost monitoring: An overview

Define

Enable

Monitor

Embed

## What does it include?

- Collect data on costs incurred by IOs and analyse it to uncover insights about whether funds were spent effectively
- Advise IOs on future spending to compensate for any past inefficiencies or unplanned spending

## Why is it important?

- Supports data-driven decisions among IOs on effective spending
- Embeds cost-effectiveness as a key success measure

## How to do it?

1. Collect cost data from IOs
2. Compare and analyse cost data to uncover insights
3. Use cost-related insights to inform decisions

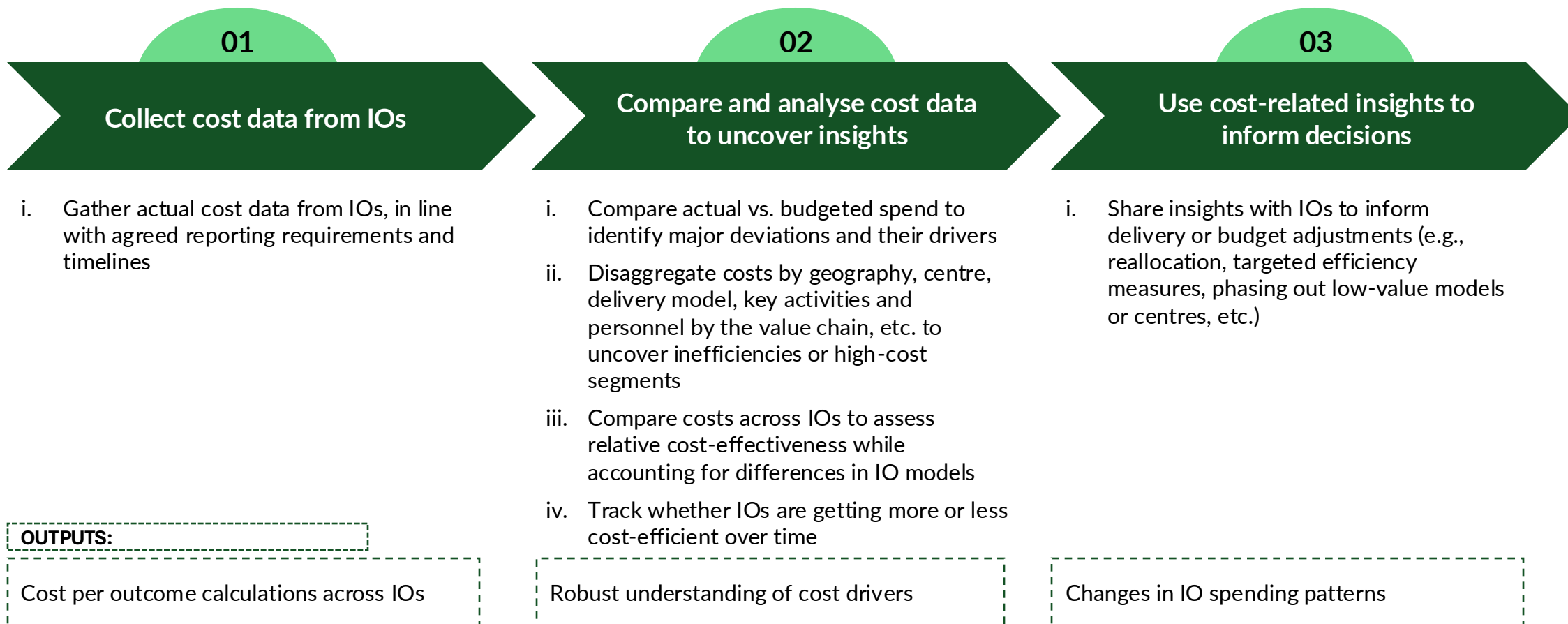
# Cost monitoring: A deep dive

Define

Enable

Monitor

Embed



**Going from good to great!**

- ✓ Balance efficiency with program objectives—for instance, training women may incur higher mobilization costs, or securing placements in advanced job sectors may require greater employer engagement, yet these investments remain vital and should not be deprioritised

# Deep dive 1 in practice: Collect costs data from IOs

Tracking of actual cost data across IOs help assess spending against planned budgets

SIB—IOs used budget templates shared by the performance manager to report actual costs

 [IO cost analysis](#)

Cost headers	Full Intervention Cost	1	2	3	4	5	6	7	8	9
<b>A Facility/Training center</b>	39,45,769	7,03,843	2,86,970	2,71,251	2,83,000	2,50,613	9,70,478	4,64,557	4,08,690	3,06,367
Rent	16,60,374	2,38,524	1,33,850	1,25,000	1,50,000	1,12,500	5,02,500	1,87,500	60,500	1,50,000
Utilities	5,97,977	1,00,000	50,000	20,000	20,000	37,111	1,23,665	59,374	1,55,580	32,247
Maintenance	4,45,995	1,40,069	6,120	23,501	5,000	12,252	29,860	89,433	1,29,760	10,000
IT platform cost (LMS, softwares)	44,100	8,200	5,500	4,500	3,000	4,000	6,600	3,000	5,100	4,200
Security	2,16,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Capital Assets or Equipments (depreciation basis)	9,81,323	1,93,050	67,500	74,250	81,000	60,750	2,83,853	1,01,250	33,750	85,920
<b>B Management and Head Office</b>	8,40,000	93,333	93,333	93,333	93,333	93,333	93,333	93,333	93,333	93,333
Cumulative annual salaries of all other head office/regional office staff or senior executives (corporate functions, eg - HR, finance, admin, IT etc)	6,00,000	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667
Cumulative overheads of all head offices/regional offices	2,40,000	26,667	26,667	26,667	26,667	26,667	26,667	26,667	26,667	26,667
<b>C Mobilisation and Counselling</b>	25,17,344	3,68,950	2,10,865	1,60,236	66,749	1,23,598	12,88,308	1,19,359	76,259	1,03,020
Mobilisation Staff salaries (only training center level)	12,35,809	2,85,245	1,63,235	1,18,476	14,400	47,925	4,61,159	18,460	63,009	63,900
Costs for Mobilization Events	8,22,395	21,500	10,850	11,935	10,108	19,833	7,25,324	4,400	5,425	13,020
Cost for mobilisation material (canopies, flyers, posters etc)	0									
Counselling staff salaries (only training center level)	0									
Costs for Counselling Events	0									
Operational Costs (Travel and lodging of staff etc.)	4,59,140	62,205	36,780	29,825	42,241	55,840	1,01,825	96,499	7,825	26,100
Any other cost related to mobilization and counselling (Please provide details in the comments section)	0									
<b>D Training and Certification</b>	1,08,50,905	26,98,065	9,98,487	8,08,168	8,29,260	5,33,697	27,44,624	10,47,362	3,09,823	8,81,419
Training staff recruitment	0									
Training staff salaries	29,57,905	10,84,565	4,28,487	2,40,668	2,04,260	26,197	5,05,124	2,09,862	22,323	2,36,419

- Costs were captured by centre, then split into “SIB-funded” versus self/employer co-funding to show real leverage
- This was used to calculate cost per beneficiary for all stages of the value chain (enrolment, certification, placement, retention)



Tweak the template to account for specific IO’s unique elements (e.g., one IO has compulsory health check-ups)

Walk IO finance teams through the template, to align on allocation rules and interpretation of each line item before the first reporting cycle

Maintain a shared comment column where IOs record any assumptions or deviations; review these notes together and update guidance so future submissions stay consistent



# Deep dive 2 in practice: Compare and analyse cost data to uncover insights

Define

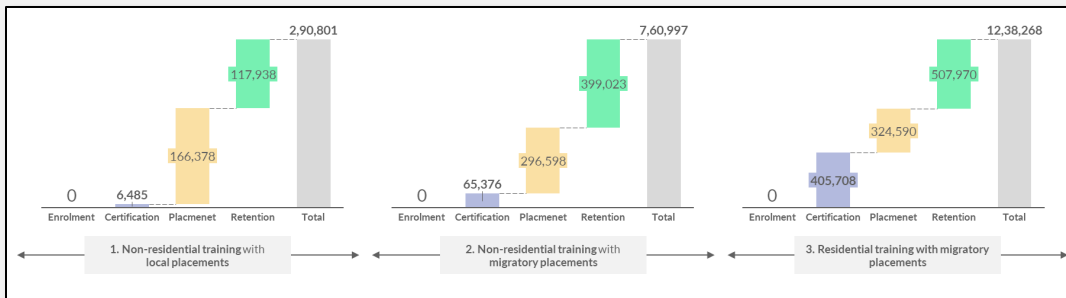
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Monitor

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## Tracking leakage due to candidate drop-outs, and mitigation viability ensure cost efficiency planning

The PM analysed where IOs were losing most money/being cost inefficient



- The PM calculated cost of leakage, which is the cost incurred at each stage of delivery due to candidates dropping out
- Analysis revealed that the cost of leakage was the highest at the placement stage in model 1, and at the retention stage in models 2 and 3



The PM then identified whether mitigation strategies to reduce drop-outs were financially feasible

	1. Non-residential training with local placements	2. Non-residential training with migratory placements	3. Residential training with migratory placements
Per beneficiary cost of placement at current C-P rate <sup>2</sup> of 88%	INR 2,782	Per beneficiary cost of retention at current P-R rate <sup>3</sup> of 69%	INR 2,276
Per beneficiary cost of retention at current P-R rate <sup>3</sup> of 69%	INR 5,998	Improvement in C-P rate	5%
Improvement in C-P rate	5%	Improvement in P-R rate	5%
Improvement in P-R rate	5%	Additional cost on mitigation to ensure mitigation is more viable than enrolling and placing a new candidate <sup>2</sup>	< INR 158 Per beneficiary
Additional cost on mitigation to ensure mitigation is more viable than enrolling and retaining new candidate <sup>1</sup>	< INR 164 Per beneficiary	Additional cost on mitigation to ensure mitigation is more viable than enrolling and retaining new candidate <sup>1</sup>	< INR 368 Per beneficiary

- The PM calculated the maximum additional expenditure that could be incurred on mitigating leakage/drop-outs, before performance gains are outweighed by costs
- Analysis found that in model 1, if IOs improved their placement rate by 5%, it could reduce the cost of leakage by >20%; whereas in models 2 and 3, if IOs improved their retention rate by 5%, it could reduce the cost of leakage by ~10% each



Calculating the maximum viable spend on mitigation activities helps ensure that mitigation cost remains financially justifiable and does not exceed the cost of onboarding and training a new candidate



# Deep dive 2 in practice: Compare and analyse cost data to uncover insights

Define

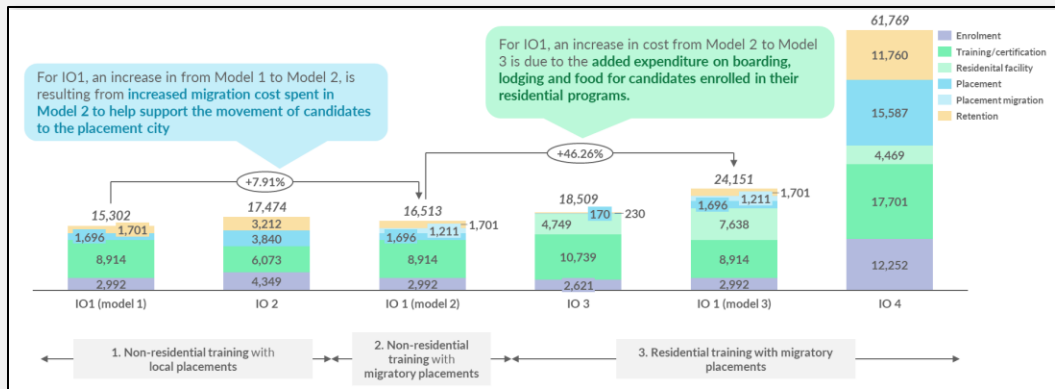
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Monitor

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## Comparison of costs across IOs help surface outliers, cost variations across models, and cost effectiveness trends

### SIB comparison of IOs' cost per beneficiary across different models



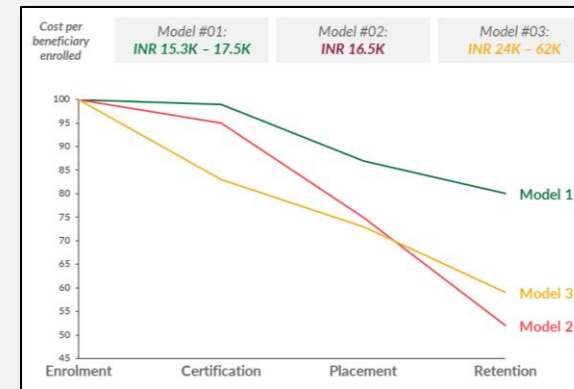
- Cost increase from model 1 to 2 was due to support required for migratory placements, and from model 2 to 3 was due to the program being residential
- IO4's costs were significantly higher, even in comparable models (see next page for more)



High-cost, low-value elements (such as specific stages in the model, centres/geographies, etc.) should be investigated and/or discussed deeply to understand cost drivers and impact on outcomes; the performance manager should use these insights to directly inform IO strategy refinement and drive cost effectiveness



### Comparison of IOs' outcomes across operating models



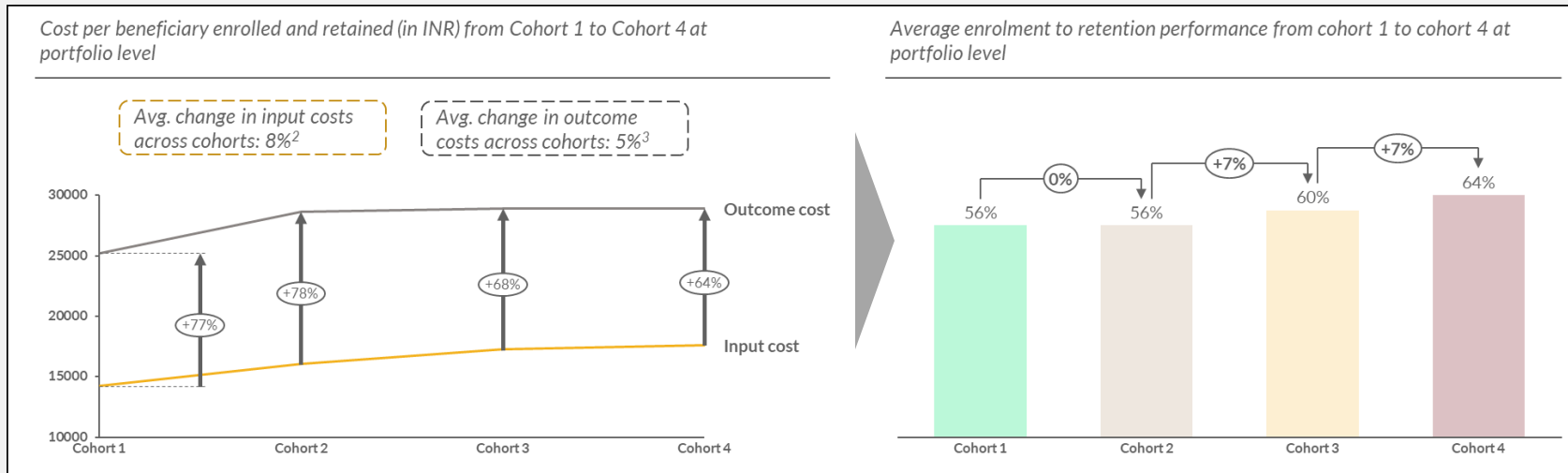
- However, it was found that outcomes don't incrementally increase with expenses; model 1 input costs were lowest, but outcomes were 1.5x higher
- This was because other factors also influenced retention (e.g., in model 3, youth migrated for employment, causing a drop in retention due to the lack of family support and insufficient counselling)



# Deep dive 2 in practice: Compare and analyse cost data to uncover insights

## Tracking of costs over time helps assess how IOs' cost efficiency is changing

### SIB—change in costs and outcomes over cohorts



- The performance manager tracked input and outcome costs over cohorts, including the difference between them
- This analysis showed that even though input and outcome costs in isolation increased over cohorts, the difference between the two decreased, indicating greater cost efficiencies—IOs were achieving c. 8% more outcomes per rupee spent in cohort 4, compared to cohort 1
- This was driven by IOs focusing more on higher value-for-money activities, such as mobilisation best practices, improving staff-trainee ratios, more demand-driven batches, stronger candidate retention tracking

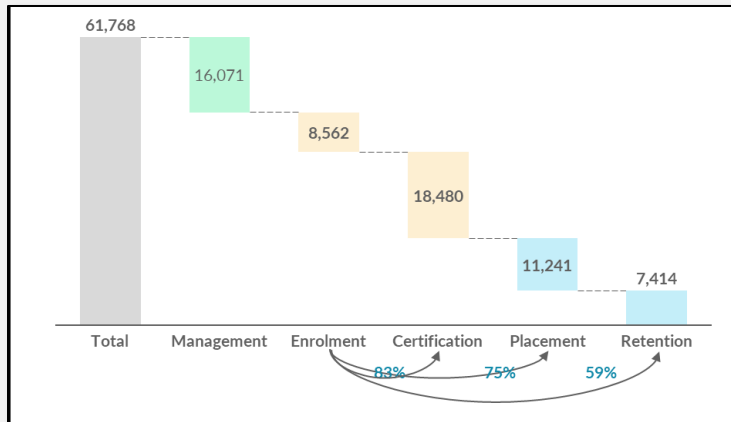


Recommendations on cost effectiveness should not consider cost in isolation, but rather holistically look at cost and value generated

# Deep dive 3 in practice: Use cost-related insights to inform decisions

## Deep dive into a specific IO's costs pinpoints drivers of inefficiency and informs recommendations to become more cost efficient

SIB deep-dive into one of the IO's cost drivers; exhibit showcasing cost per beneficiary and transition rates



- IO4 had the highest costs, compared to IOs with the same model
- Analysis showed that the primary driver of this was high management costs, especially compared to the limited scale of operations (5% of the IO1's scale of operations, for example)
- Other reasons included their focus on marginalised communities that drove up mobilization and counselling costs, their venture into new sectors and high-touch post-placement support that drove up staff costs, etc.

### Recommendations for enhancing cost efficiencies

- SCALE OPERATIONS**  
The major driver for the IO's high management cost is their limited scale. If the IO can scale their operations from ~4500 candidates to ~50,000 candidates, the cost inefficiencies due to management cost can be reduced by 1/10<sup>th</sup>
- STABILISE EMPLOYER RELATIONSHIPS**  
Currently, the IO is spending ~10X other IOs at placement and retention stage due to the shift in sectors and need to establish relationship with new employers; as the IO stabilizes their employer relationships, this cost can be significantly reduced  
This can also be a strong retention driver and bring down the outcome cost
- IMPROVE RETENTION PERFORMANCE**  
The outcome cost can also be reduced by improving retention performance with targeted strategies such as replacement of drop-out candidates with other employers, alignment on migratory nature of the job, with the candidates at the mobilisation stage to ensure candidate drop-out is reduced, alumni mentorship support and frequent 1-1 support calls post placement
- FOCUS ON LOW CAPEX SECTORS**  
The IO also spends a huge amounts for certain sectors like construction, apparel, that require high CapEx; the IO can look at aspirational sectors with low training capex or leverage employer relationships to get further support for setting up the training facility that can reduce their high cost

- At the same time, the IO's higher costs resulted in better long-term retention (2X) and wages (~50% higher), so the solution was not to move away from its operating model
- However, the performance manager identified opportunities to enhance cost competitiveness: scaling operations, stabilising employer relations, improving retention performance and focusing on low-capex sectors

🏆 Assess which cost drivers are most pressing and feasible to address, thereby focusing the IO's efforts

# Cost monitoring: A case study

## Navigating Rising Costs: A Targeted Cost Monitoring Strategy for Sustainable Delivery

**Context:** One of the IOs experienced an unexpected rise in input costs, beyond permissible SIB guidelines. A few reasons for this were: cohort falling mid-appraisal cycle, triggering performance bonuses for staff; higher HR costs in this cohort because of IO's transition to a demand-driven model; muddled cost allocations across programs; etc.

### What we did:

1

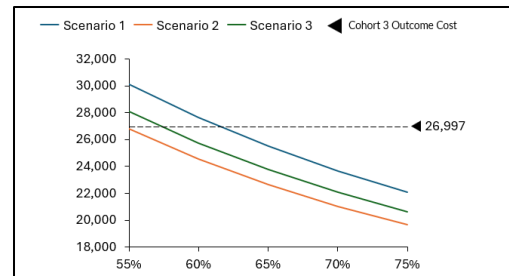
#### Calibrated ways to reduce input cost

- Worked with the IO to make use of under-utilized centre spaces by plugging in other programmatic verticals—e.g., using centres for document monitoring
- Changed a few time-based cost items, such as management and HR costs, to be activity-based
- Adjusted higher placement team costs to reflect only this program's share (determined by placement numbers), rather than having SIB bear the burden of org-wide costs associated with the shift to a demand-driven model

2

#### Calibrated ways to reduce outcome cost

- Worked with IOs to increase the scale of centres that had better performance (in terms of transition rates) and hence overall higher cost efficiency
- Modelled scenarios for projecting outcome cost across various scenarios (with different target transition rates)



3

#### Explored co-funding options

- Share insights with the IO on how other IOs in the program have managed to integrate employer co-funding in demand-driven models
- Supported the IO in testing and deploying a pitch for co-funding with new employer partners

**Impact:** Outcome costs were contained at +2%, which was approved by investors. Input costs were reduced by c.8% and the IO secured co-funding from 5 employers, who contributed up to 15% of placement costs.

# 06

## Learning for future improvement



# Pillar 4: Embed learning for improvement & ecosystem growth (10% effort)

## Portfolio layer

## Organization layer



### Purpose

Define learning priorities for the performance manager, who synthesizes insights from monitoring data and facilitates learning sessions across IOs, investors, etc. These learnings are then used to inform and strengthen the broader ecosystem.

IOs pilot innovative approaches, with support from the performance manager and leveraging dedicated risk capital. Insights from these pilots inform future program cycles and drive delivery effectiveness.

### Blocks

#### 1. Consortium Cross-learning

#### 2. Innovation and Iteration



### Key outputs

- ✓ Performance management learning agenda
- ✓ Consortium cross-learning workshops
- ✓ Ecosystem knowledge products

- ✓ IO pilots/innovations
- ✓ Documentation of process and learnings
- ✓ Iteration of future program cycles



*Learning and dissemination should be spearheaded by the performance manager but owned by everyone in the consortium...it's everyone's responsibility*

*~ Risk investor/PM*



*The performance manager, given its work, ends up sitting on a lot of insights, learnings, collateral, which are extremely beneficial for the ecosystem*

*~ Risk investor/PM*



*SIB created room for innovation...we were able to try out new geographies, industries and target groups because we could take the risk of the failure*

*~ Implementing organisation*



*Earlier, we were only concerned with the candidates we would convert...now we look at all those we didn't convert via our mobilization to look for learnings*

*~ Implementing organisation*

**Block 1:**  
**Consortium**  
**cross-learning**



Cross-  
learning

Innovation  
and iteration

# Consortium cross learning: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Translate the program-level learning agenda into the performance management learning agenda
- Facilitate learning across the consortium, to reflect on what is working, and why
- While the PM does not own funder-specific learning goals, it supports them by sharing insights that can inform their strategies

## Why is it important?

- Enables the program and funder-specific strategies to evolve in response to on-ground evidence
- Builds a shared understanding of systemic drivers of success/underperformance
- Supports a culture of reflection, learning, and improvement

## How to do it?

1. Develop the performance management learning agenda
2. Identify and deploy learning priorities
3. Facilitate consortium-level cross-learning spaces
4. Codify and integrate learnings

# Consortium cross learning: A deep dive

Define  
Enable  
Monitor  
Embed

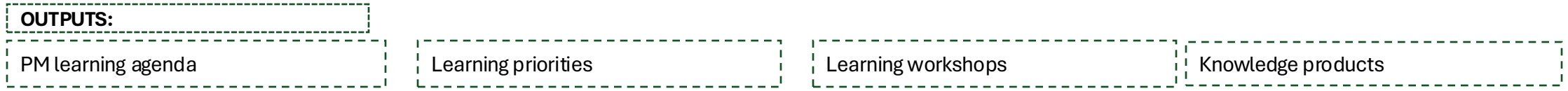


- i. **Translate the program level learning agenda** developed during the program design phase into the **performance management learning agenda**, anchored on program performance priorities and strategic questions

- i. **Prioritise a few learning priorities** from this agenda, based on reach, impact, effort, etc.
- ii. Ensure that priority KPIs being tracked by the performance manager reflect these learning priorities

- i. Create **structured learning platforms** at a consortium-level and define their composition, frequency and formats
- ii. Facilitate **learning workshops anchored on the learning agenda**—involving not just discussion on data/evidence but also ground-level experiences of IOs

- i. Document and **distil key learnings** across the delivery value chain, operating models, demographics, etc.
- ii. Utilise insights to inform **future program cycles**
- iii. Work with the mainstreaming partner to create **and disseminate knowledge products**, hence contributing to ecosystem-wide learning



**Going from good to great!**

✓ Collaborate with ecosystem champions to amplify reach of the ecosystem learnings

# Deep dive 1 in practice: Develop the performance management learning agenda

The performance management learning agenda lays out the full scope of what should be learned from quantitative and qualitative data

## How to create the PM Learning Agenda

- 1 The PM identifies the key outcomes that it can directly influence—program outcomes (blue), delivery efficiency (yellow), and systemic mainstreaming (brown).
- 2 The PM disaggregates each of these outcome into sub-outcomes, based on the broader priorities from the evaluator’s learning agenda (if any).
- 3 Each sub-theme is then further broken down into specific learning questions/topics, which serve as the building blocks of the PM learning agenda. These questions are aligned not only with program delivery improvement but also with the priorities of risk investors.

## Performance Management Learning Agenda

Illustrative list of key drivers	Outcomes	Improved skilling outcomes are delivered for participating trainees	Service providers (SPs) are incentivized and have better capacity to focus on livelihood outcomes by improving placements and retention	Systemic changes are enabled in the ecosystem towards the use of at-scale sustainable livelihood outcomes
	Sub-outcomes	<b>1A</b> Skilling outcomes Improved translation of skilling interventions into placement and retention	<b>1B</b> Financial outcomes Skilling graduates have a higher income potential and financial independence	<b>1C</b> Social outcomes Increased focus on gender parity and empowerment
		<b>2A</b> Process efficiency SPs design and implement interventions that optimize impact, innovation and resilience	<b>2B</b> Financial efficiency SPs are able to operate in a cost-efficient manner while optimising skilling outcomes	<b>3A</b> Evidence for ecosystem adoption Learnings and insights are funneled and adopted by relevant ecosystem actors
		<b>3B</b> Government mainstreaming Indian skilling programs change incentive structure to focus on job retention		
	Demographic Age, gender, literacy, marital status	Program Skilling models, curriculum, employer engagement	Policy and regulation Govt. support, legal frameworks, partnerships	
	Geographic Regional variation, migration status, rural-urban domicile	Technical capacity Process/tech innovation, MEL practices, leadership	Technical capacity Knowledge sharing, best practices, advocacy, MEL	
	Sectoral Industrial growth, sectoral diversity, equal pay	Financial capacity Diversified fundraising, cost allocations, financial discipline	Financing Funding of implementing partners, financing infrastructure	
	Employer Size of the company, equal pay, working environment, job role	Culture Learning environment, focus on innovation, transparency		
		Profile Budget, size, reach, areas of work, years since incorporation		



Data on outcomes that are part of the evaluator’s learning agenda (e.g., high female attrition or low-income mobility) should continuously influence the PM’s learning agenda that focuses on inputs (e.g., training model, employer type), leading to overall improvement in design and delivery

# Deep dive 2 in practice: Prioritise and deploy learning priorities

## Prioritization is important to ensure learning activities are targeted

### Learning priorities—prioritisation matrix

Criterion	What you ask	Scoring guide
Reach	How many of your intermediate outcomes would this learning influence?	1 = single outcome, 5 = most outcomes
Impact	If we solved the question, how big a change in results could we unlock?	1 = marginal tweak, 5 = step-change
Evidence gap	What is the size and quality of existing evidence on the topic?	1 = well-studied, 5 = almost no data
Effort	How much effort in terms of money and time is required to generate solid evidence?	1 = desk analysis, 5 = multi-site RCT
Control	Do we control the levers to act on findings?	1 = outside influence, 5 = fully in our hands

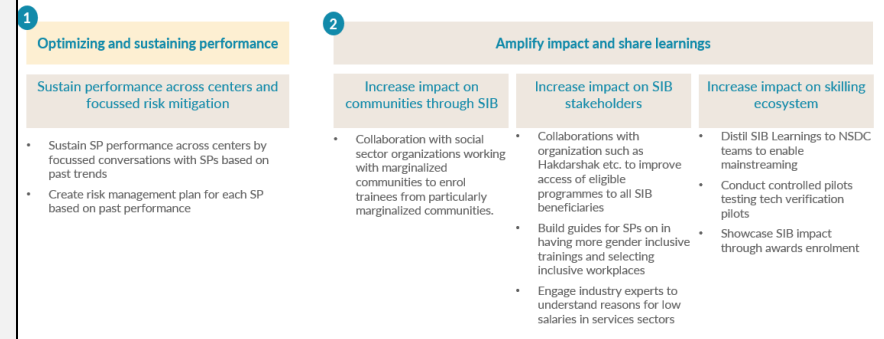
- This helps the PM assess which learning priorities are most important and feasible to pursue
- The PM typically runs a workshop to score and rank these learning topics and sense-check against real-world constraints (such as timelines, budgets), ensuring there is rigorous and collective judgment around



Use the matrix to distinguish between what's interesting and what's essential, while also aligning learning priorities to the stage of the programme for example, early cycles may focus more on inputs, whereas later cycles should prioritise mainstreaming and system-level adoption.

### Example of learning priorities delineated for Cohort 5 of SIB

We have delineated two key priorities for Cohort 5: Optimizing SP performance and bringing focus on SIB's impact across the ecosystem



# Consortium cross learning: A case study

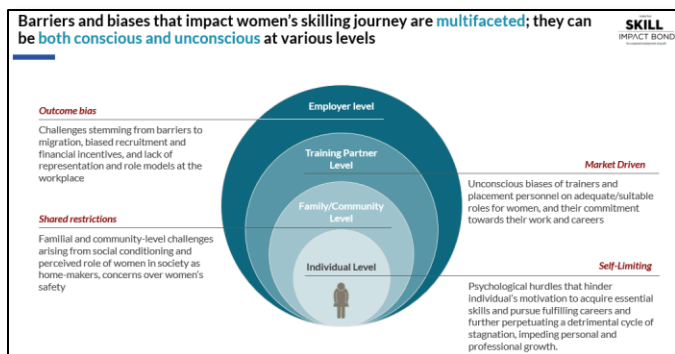
## Embedding Learning for Action: Designing Gender-smart Solutions through Learning Workshops

**Context:** The PM, through its monitoring and data analysis, identified certain cross-cutting challenges across IOs and facilitated learning workshops to bring the consortium together in undertake collective solutioning for the challenges.

**What we did:** A consortium-wide workshop was convened to test and refine these hypotheses.

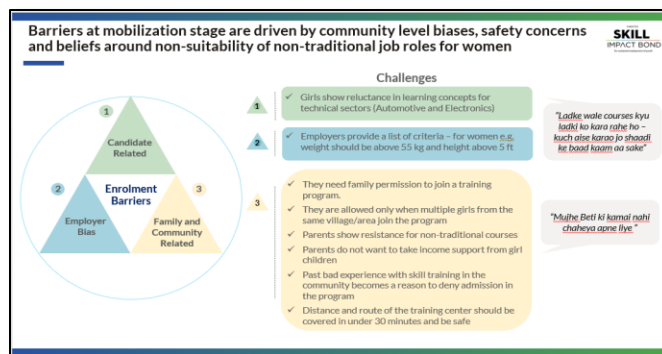
### Share initial hypothesis

The PM presented early insights and evidence to drive discussion on topics such as gender gaps being linked to outcome bias, social restrictions, and self-limiting beliefs.



### IO's field experiences

IOs validated, nuanced and contributed to this by sharing ground-level experience, their own best practices, and unresolved aspects they were still navigating.



### Group brainstorm

The group collectively explored potential interventions that could address the issue, using case studies of female candidates and thinking through what might work across models.

**Idea 1: How will you get Lata and other women from the village to enrol in the SIB program?**

Idea name: \_\_\_\_\_

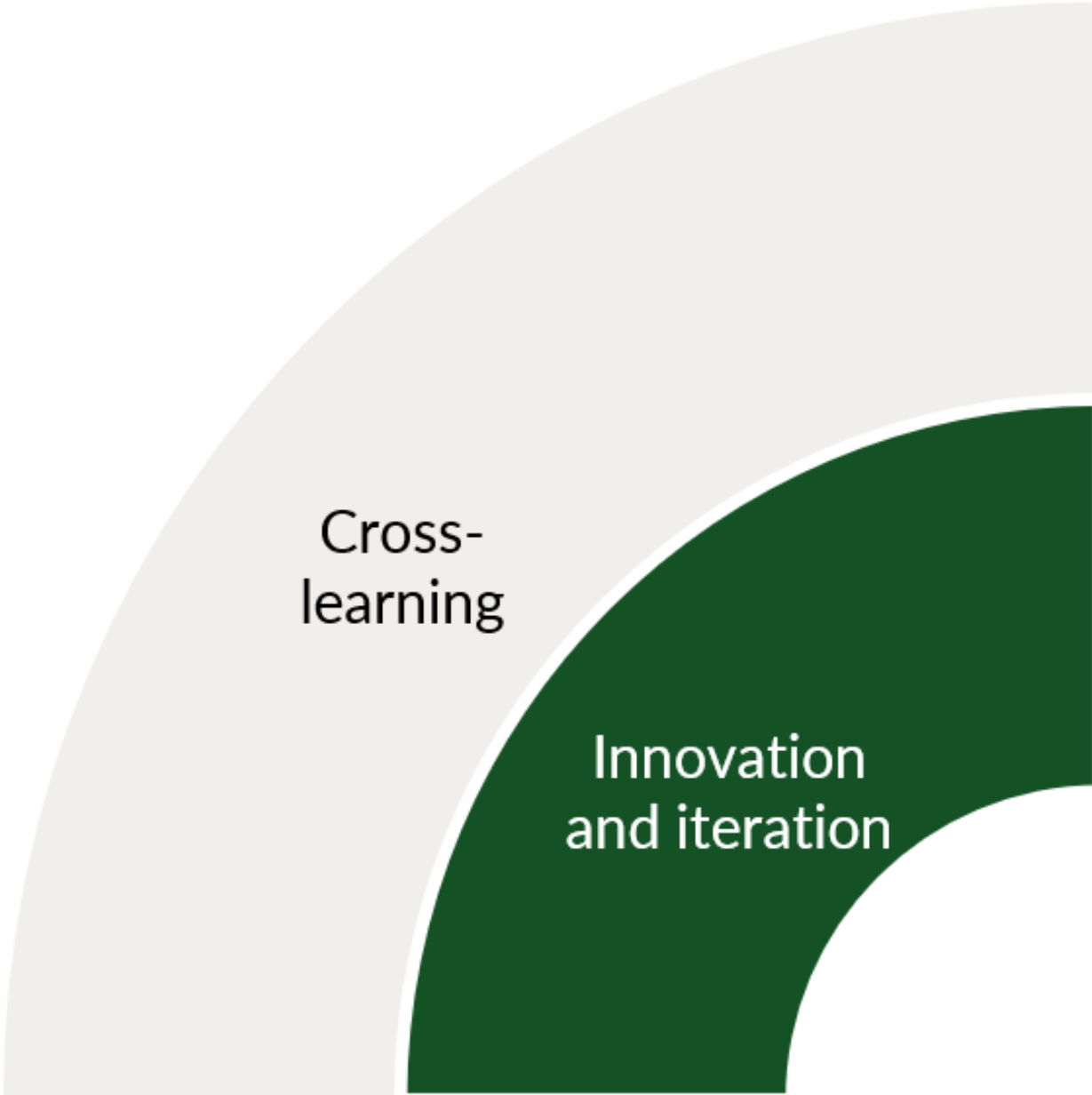
Brief description of the idea with key features: \_\_\_\_\_

Who can implement this? \_\_\_\_\_

What are the challenges that you foresee in implementing this? \_\_\_\_\_

**Impact:** The workshop helped identify solutions that were relevant and actionable across IOs and within the program's scope; e.g., family counselling, increased use of female alumni in mobilisation, and better migration support systems post-placement.

**Block 2:**  
**Innovation and  
iteration**



Cross-  
learning

Innovation  
and iteration

# ○ Innovation and iteration: An overview

Define  
Enable  
Monitor  
Embed

## What does it include?

- Support implementing organisations in testing new ideas and models
- Draw on these those to inform future delivery cycles and to build stronger and more effective models

## Why is it important?

- Strengthens delivery models long-term
- De-risks experimentation for IOs by leveraging risk capital and learning loops

## How to do it?

1. Identify innovation opportunities and design pilot approach
2. Support the IOs in the rollout and documentation of the pilot approaches
3. Strengthen future delivery in the developmental (e.g., skilling) space for future programs

# Innovation and iteration: A deep dive

Define

Enable

Monitor

Embed

01

## Identify innovation opportunities and design pilot approach

- i. Facilitate **reflection sessions** with IOs to surface potential innovation ideas
- ii. **Prioritise ideas** that are promising, feasible, and have future relevance
- iii. **Co-design pilots** by defining the innovation, target group, delivery model, timeline, and key stakeholders involved
- iv. Establish learning questions and success metrics

### OUTPUTS:

Innovation pilot plan

02

## Support rollout and documentation

- i. Provide **implementation support** during the pilot and solve early blockers
- ii. Track insights and key metrics (e.g., uptake rates, qualitative feedback, early trends).
- iii. **Document process observations**, implementation enablers/barriers

Implementation trackers and qualitative interviews

03

## Strengthen future delivery

- i. Conduct structured **post-pilot debriefs** with IO and consortium
- ii. Extract insights on effectiveness, feasibility, and future potential
- iii. **Feed validated learnings** into planning for future cycles and programmes
- iv. Share insights externally to inform policy, sector practices, or funder strategy

Learning document



### Going from good to great!

- ✓ Focus on non-critical challenges where experimentation won't compromise targets. Look for "adjacent wins": small tests that could yield big future shifts.
- ✓ Assign a pilot "champion" within the IO and capture both quantitative and narrative insights.


# Deep dive 1 in action: Identify innovation opportunities and design pilot approach

A structured decision-making process helps ensure only the most impactful and feasible pilots are taken forward

## Pilot identification and prioritisation framework

Step	What Happens
1. Identify priority sub-outcomes	Review dashboard/monitoring data to surface sub-outcomes from learning agenda needing urgent attention (e.g., poor retention, high dropouts)
2. Identify underlying drivers	Use diagnostic analysis (cost, delivery model, demographic data) to understand which drivers are affecting that sub-outcome
3. Prioritise intervention area	Use a decision matrix to decide which pairings to take forward. Anchor these decisions on a. Outcome potential b. Cross-IO relevance c. Feasibility of timelines and resources d. Urgency basis past performance and results
4. Design & implement the change	PM co-creates pilot and sets up M&E loop
5. Feed back into PM strategy	If successful, adapt templates, guidance docs, and programme strategies

- This present a methodical process for identifying and prioritising portfolio pilots

 The prioritisation process doesn't just ask "what needs fixing"—it helps PMs answer "what is worth fixing, now?" by applying a set of criteria that filter pilot ideas through lenses of outcome potential, feasibility, urgency, and relevance across IOs

# Deep dive 2 in action: Support rollout and documentation

Tracking innovations ensures that promising solutions are systematically captured, tested, and scaled

## Innovation and iteration tracker

Cohort	IO name	Problem Targeted	Sub-outcome	Driver	What Was Tried	Result	Status
C2	IO 1	High female dropout post-placement in rural geographies	Retention (Women)	Familial drivers	Introduced family counselling	12pp increase in 90-day retention for women	Scaled for all rural geographies
C3	IO 4	Low placement rate in IT-ITeS for Tier-3 youth	Placement (Rural Youth)	Sector mismatch, aspirational gap	Shifted mobilization messaging + added digital skilling intro	Improved conversion from 33% to 34%	Discontinued
C5	IO 3	Poor wage growth in transport sector	Income outcomes	Job-role stagnation	Tested sector rotation & progressive skilling for career laddering	Early signs of 15% income lift at 6M	Under review
C6	Cross-IO	Low accuracy of Manual verification Process	Process efficiency	Verification design	Pilot for Technology-led verification of outcomes	Reduced time + cost	Scaling for all IOs

- This tracker captures the delivery system's evolution in real-time, documenting how recurring challenges are translated into actionable interventions in the next cycles or built into future skilling programmes

# Innovation and iteration: A case study

## Leveraging Technology to Facilitate Verification of Skilling Outcomes under SIB

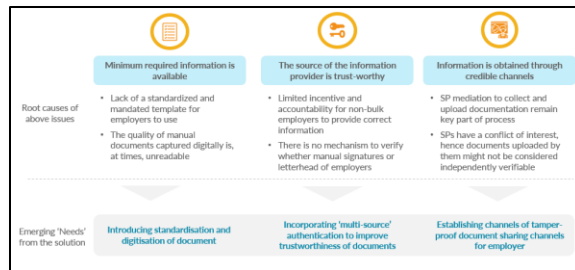
**Context:** SIB's verification revealed significant discordances (up to 20%) between reported and verified data. While documentation until certification is completely digitised and verifiable, placement and retention outcomes were not digitally verifiable and verification was dependent on candidate calling.

### What we did:

1

#### Root-cause analysis

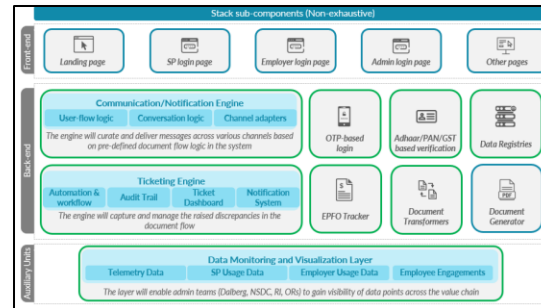
- The PM identified a lack of documentation consistency as the leading cause of verification risks; this was driven by from factors like the manual creation of documents, low standardization, and lack of digitally verifiable signatures



2

#### Product Solutioning

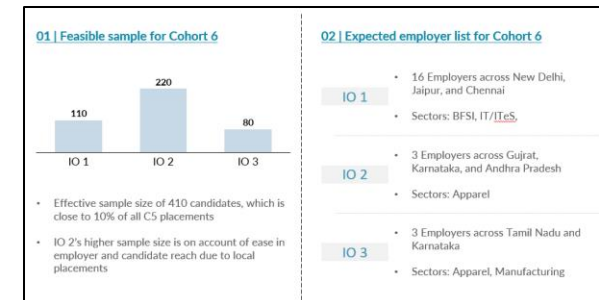
- The solution was designed to leverage existing NSDC technology infrastructure (JobX Platform)
- Key features included two-factor confirmation, establishing tamper-proof channels, and standardization of documents



3

#### Pilot planning and implementation

- The PM facilitated the development of the pilot and coordinated with the NSDC Tech team
- Implementation plans for each IO were built based on sample size and type of employers



**Impact:** This led to a strong reduction in discordance between reported and verified outcomes and also reduced effort and time burden for internal verification while increasing transparency of the placement process.

# Innovation and iteration: A case study

## Undertaking Health Pilot to Improve Candidate Retention

**Context:** Health-related challenges were a significant factor in trainee dropouts--18% of total dropouts across cohorts were due to poor candidate health, with a majority being post-placement (64%). Data showed that women were 30% more likely to drop out of jobs owing to poor health compared to men.

### What we did:

1

#### Root-cause analysis

- The PM leveraged human-centred design research to identify key intrinsic and extrinsic drivers of candidate health
- Of the issues observed, four key issues stood out in terms of occurrence and impact:
  - Mental health struggles due to work stress
  - Mental health struggles due to migration
  - Physical health struggles due poor levels of nutrition, and
  - Physical health struggles due to menstrual challenges

2

#### Solutioning and Prioritisation

- The PM identified over 20 solutions, from advocacy for systemic changes to addressing symptomatic issues
- 4 were prioritized by the consortium basis the analysis facilitated by the PM on impact and feasibility potential under SIB (e.g., nutrients supplements, regular medical assessment)

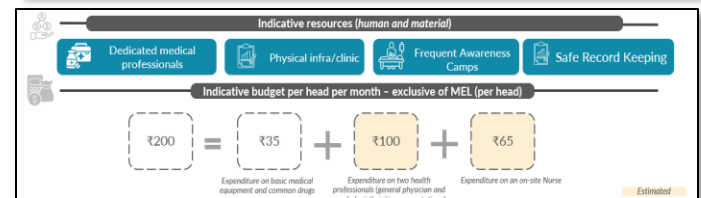
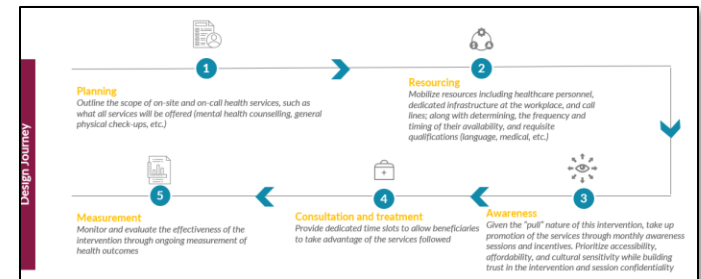
Our solutions are to...	1 Provide regular medical assessment and treatment	2 Provide on-site and on-call physical and mental health professionals	3 Provide nutrient supplements (iron, folic, vitamin tablets)	4 Provide menstrual care (sanitary napkins, cramp tablets, etc.)
Our direct pilot outcomes are...	Lower the incidences of undiagnosed and untreated health ailments from getting chronic	Lower the incidences of untreated/self-treated health ailments leading to better mental and physical health	Lower the incidences of malnourishment amongst beneficiaries...	Lower the incidences of menstrual discomfort due to lack of menstrual care at work...
Our short-term outcomes are...	Increased awareness and utilization of health services, reduced health-related absenteeism, and enhanced resilience to workplace stressors among beneficiaries			

...with the potential to reduce ~60% of health-related dropouts in C5

3

#### Detailing Implementation Roadmap

- The PM developed a detailed implementation plan including operational processes and costs for IO implementation



**Impact:** The pilot is projected to decrease dropout rates particularly among women and establish a sustainable model where improved health is recognised as integral component of successful skilling

# Innovation and iteration: A case study

## Beyond the Neighbourhood: Transitioning from Hyperlocal to Demand-Led Placements

**Context:** An SIB partner primarily focused on hyperlocal placements for urban candidates. While this ensured placements within the community, it led to lower wages and retention predictability. A shift to a demand-driven approach was essential to unlock higher value and ensure sustainability. Three of the five IOs in the SIB portfolio were implementing different demand-driven models, providing the right opportunity for cross-learning

### What we did

1

#### The performance manager enabled cross-learning to drive adoption across partners

- IOs shared practical insights on how they redesigned their placement processes covering employer outreach, candidate profiling, and retention strategies
- IOs collectively reflected on common roadblocks and shared proven solutions that had helped navigate these challenges effectively
- Partners brainstormed ways to enhance candidate employment terms by making a stronger case for fair wages and growth pathways with employers, leveraging the demand-driven model as a tool for advocacy

2

#### The PM delivered targeted technical assistance on employer engagement

- Supported the IO in designing stronger employer profiling strategies, and helped refine sector targeting and employer segmentation to match candidate profiles
- Created actionable recommendations for the IO to adapt a demand-led approach

**Impact:** In some cohorts, the IO scaled its demand-driven model in phases starting with 2 out of 7 centres in Cohort 4, expanding to 4 out of 7 centres in Cohorts 5 and 6, and reaching 6 out of 7 centres in Cohort 6.

07

From  
toolkit to  
practice



# The role of a performance manager adds the most value to an OBF program when delivery complexity and partner capacity gaps are high

## When should or shouldn't you have a performance manager?

Criterion	PM needed	PM not needed
<b>Outcome architecture</b>	Multi-stage outcomes (e.g., placement, retention, wage growth, empowerment); includes sub-targets like gender, geography, migration	One or two simple, measurable outcomes (e.g., certification)
<b>Delivery Model</b>	Heterogeneous or adaptive delivery (across SPs, sectors, locations)	Single-model, controlled delivery
<b>Fund structure</b>	Involves multi-party funding, blended finance, or staggered disbursements	Direct output-based disbursement from a single funder
<b>Governance demands</b>	Involves consortiums, working groups, or requires steer-co decision inputs	Limited to 1:1 funder-grantee relationship
<b>Familiarity/ experience of IOs</b>	Multiple IOs that are unfamiliar with the OBF structure delivering under varied models with weak data systems, adaptiveness, financial and ops systems, and MEL discipline	One/few experienced IOs with an existing OBF record and well-developed data system, adaptiveness, Financial and ops systems and MEL discipline

- This is not a binary checklist—it's a tool for **decision calibration**; while multiple complexity indicators may signal the need for a full-time PM, **selective or partial PM support** may also be appropriate
- Use this tool during the program design or IO selection phase to map where oversight and iteration support may be most valuable

# The performance management role should not be confused with that of the transaction manager or evaluator

## Performance Manager

## Transaction Manager

## Evaluator

	Performance Manager	Transaction Manager	Evaluator
Lead role	Manage IO performance through monitoring, diagnosis, and capacity building. Share insights, drive cross-learning, and improve delivery. Support on mainstreaming and process management.	Coordinate bond design, governance (including transaction level risks), and communication among consortium members. Manage transactions and oversee overall program processes.	Conduct independent verification of outcomes to trigger outcome payments from outcome funders to risk investors.
Verification	<ul style="list-style-type: none"> <li>Conduct <b>internal validation/ verification</b> of IO-reported data for investor confidence and facilitating working capital payments.</li> </ul>	<ul style="list-style-type: none"> <li>Appoints and manages the independent evaluator for the program, including managing evaluation disputes and problem-solving.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct <b>independent verification</b> of outcomes to trigger outcome payments from outcome funders to risk investors.</li> </ul>
Governance and Risk Management	<ul style="list-style-type: none"> <li>Undertake <b>Performance management governance</b> within the delivery partnership group (comprising investors, performance manager and implementation organisations).</li> <li>Support transaction manager with inputs for <b>program governance</b>.</li> <li>Manage <b>IO risks</b> on behalf of the investor by identifying and addressing delivery risks related to IO performance.</li> </ul>	<ul style="list-style-type: none"> <li>Undertakes <b>program governance</b> including strategic oversight and program architecture during the design phase of the program (e.g., key roles and responsibilities of all stakeholders, contracting, outcome definitions, financing flows, etc.)</li> <li>Manage governance and <b>program risks</b> at consortium level.</li> </ul>	<ul style="list-style-type: none"> <li>Highlight any programmatic risks emerging from the verification process to the transaction manager.</li> </ul>
Learning	<ul style="list-style-type: none"> <li><b>Generate insights</b> from monitoring and risk diagnosis.</li> <li><b>Share learning</b> for course correction and operational improvement. Support transaction manager for codification of programmatic learnings.</li> </ul>	<ul style="list-style-type: none"> <li><b>Consolidate and document learnings</b> from all program stakeholders, including OBF learnings.</li> <li>Support <b>mainstreaming of successful practices</b> and systemic learnings in the ecosystem.</li> </ul>	<ul style="list-style-type: none"> <li>Depending on Evaluator scope of work, the evaluator may also contribute to the <b>learning agenda</b>.</li> </ul>

# Recognizing limitations and avoiding pitfalls is key to turning performance management into a tool for real learning and change



## Limitations of Performance Management

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While the performance manager plays a critical role in enabling outcomes, their function alone is not sufficient to guarantee program success.

- Performance management **cannot replace evaluation design**. While it supports ongoing learning, it does not offer the rigour of impact assessments like RCTs or counterfactual analysis.
- Performance manager **cannot solve for systemic sector-level challenges**. Where macroeconomic, labour market, or policy-level constraints exist, the PM can highlight the issue but not correct for it.
- Performance manager **does not compensate for missing delivery capacity**. While it can support IOs to improve performance, it cannot substitute for gaps in leadership, infrastructure, or execution strength.
- Performance management function **cannot guarantee outcomes**. Its success depends heavily on enablers like high-quality data, organizational readiness, and stakeholder buy-in. Even well-designed performance management systems will fall short in the absence of these foundational elements.



## Pitfalls of Performance Management

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Even well-designed performance management systems can fall short if common execution pitfalls are not actively identified and avoided.

- **Focusing too much on compliance** and too little on learning can turn performance management into a checkbox exercise. Without clear intent to generate insights, reporting becomes superficial, and valuable diagnostic opportunities are missed.
- A **one-size-fits-all** approach to IOs is ineffective. Failure to contextualise approaches can alienate partners and reduce the likelihood of uptake.
- **Designing without IO co-creation** risks irrelevance. Solutions developed in isolation often fail to resonate with field realities or secure ownership from implementers.
- Finally, **surfacing an insight** isn't the same as driving change. Fragmented pilots without scale pathways fail to influence system-wide change. PM must see the full chain through from identifying a challenge to pushing adoption and laying out a scaling roadmap.

# This toolkit is built under certain assumptions and perspectives, it is necessary to understand those before applying the toolkit

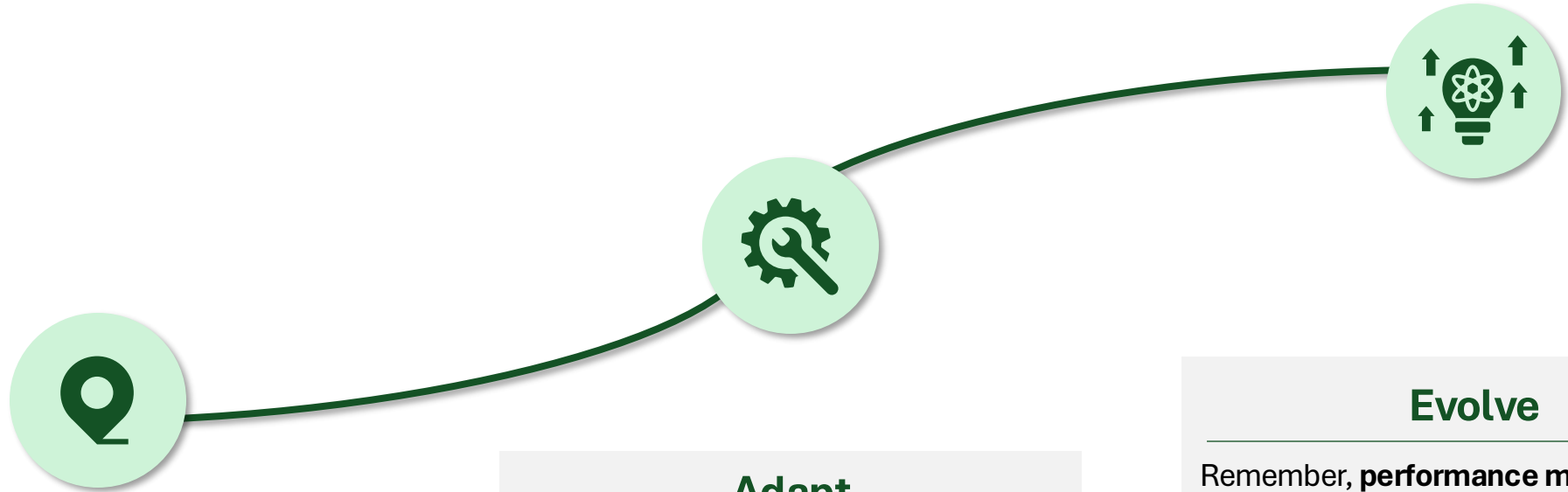


## Important Considerations before you use this toolkit

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- **Anchored on a skilling OBF**—it largely reflects best practices from a specific OBF program (i.e., Skill Impact Bond) and may require tailoring to your OBF program’s design, stakeholder mix, sector, geography, outcome metrics, etc.
- **Focuses on performance management, not broader program/bond design**—it is not a how-to manual for designing the overall bond (e.g., legal agreements, outcome fund structure, investor contracting), and instead focuses specifically on the performance manager’s role once the bond architecture has been set
- **Assumes presence of an established OBF architecture**—it is developed with the assumption that core actors are in place (including outcome funders, risk investors, transaction manager, etc.) and the bond is already designed; if your program lacks one of more of these, adjustments to roles and workflows may be required
- **Not exhaustive or prescriptive**—it provides guidance, but not all answers, and should be treated as a flexible resource rather than a rigid rulebook; even the most robust tools will fall short without proper judgment and context-sensitivity

# Call to action: Putting this toolkit into practice



## Start

This toolkit is meant to serve as a **strong starting point**, not a one-size-fits-all solution. It brings together key frameworks, tools, and practices that can help performance managers drive better outcomes in outcome-based financing programs.

## Adapt

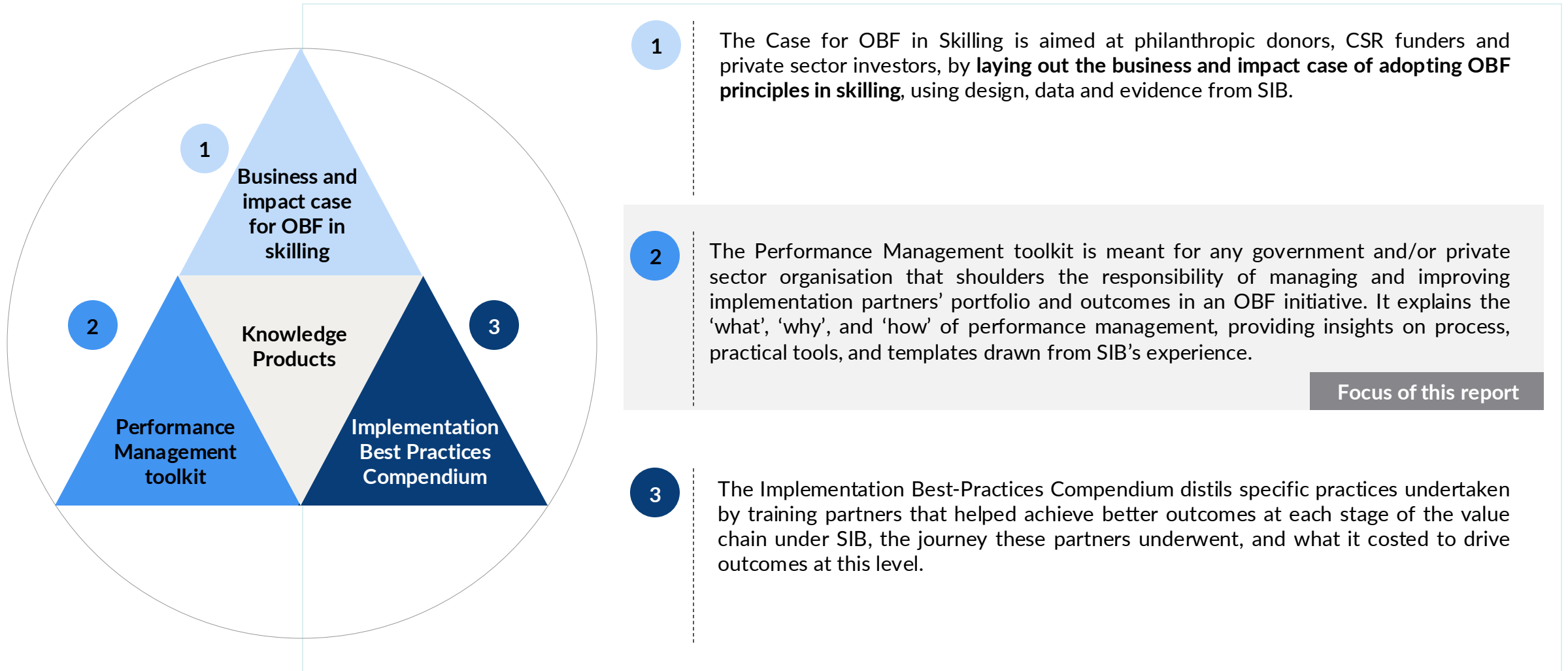
We encourage you to **adapt** it to your context. Every **program is different**—use the tools that fit, modify those that don't, and build on them with your own insights. Over time, you'll find what works best for your delivery model, stakeholders, and ecosystem.

## Evolve

Remember, **performance management is an evolving function**. As your program matures, revisit and refine your approach. Use this toolkit as a base and improve it through practical use, iteration, and learning from the field.

**A good toolkit should grow with the program. We hope this one does exactly that for you.**

# Drawing on learnings from SIB, a suite of knowledge products has been developed to translate evidence into practical guidance for replication and scale-up of OBF skilling models



You can find and read all the knowledge products [here](#).

India's first

**SKILL**

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IMPACT BOND

for sustained employment of youth