

PROJECT STATUS REPORT (CANCELLATION)

JANUARY 2014 - JUNE 2014

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Impact Sourcing as a tool to Generate Opportunities for Disadvantage Youth

Project number: PE-M1091 - Operation Number: ATN/ME-13849-PE

Result: Impact sourcing business model in Peru is financially viable while empowering disadvantaged youth with workforce experience and marketable skills.

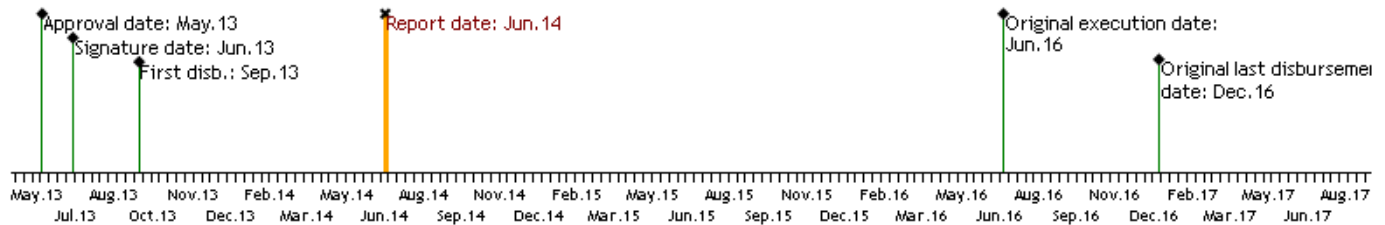
Country Administrator
UNITED STATES

Beneficiary Country
PERU

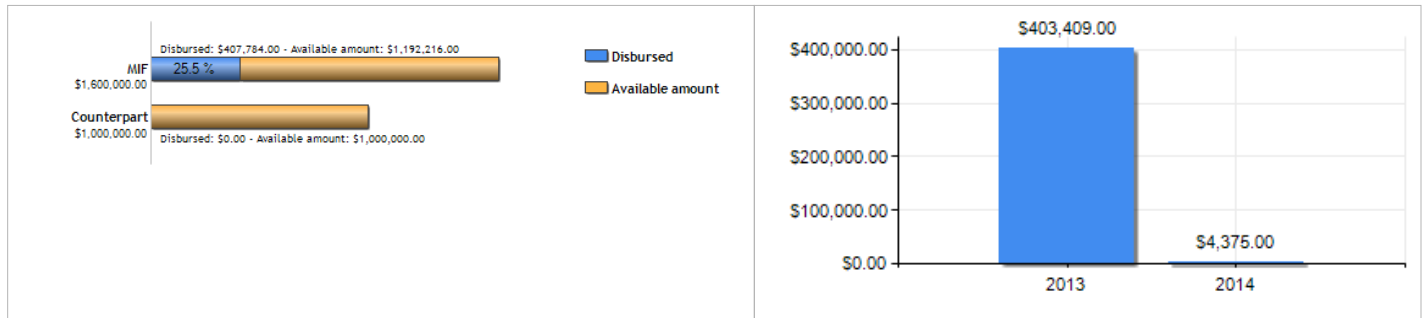
Executing agency: DIGITAL DIVIDE DATA

Design Team Leader: Buenadicha, Cesar M.
Supervision Team Leader: Buenadicha, Cesar M.

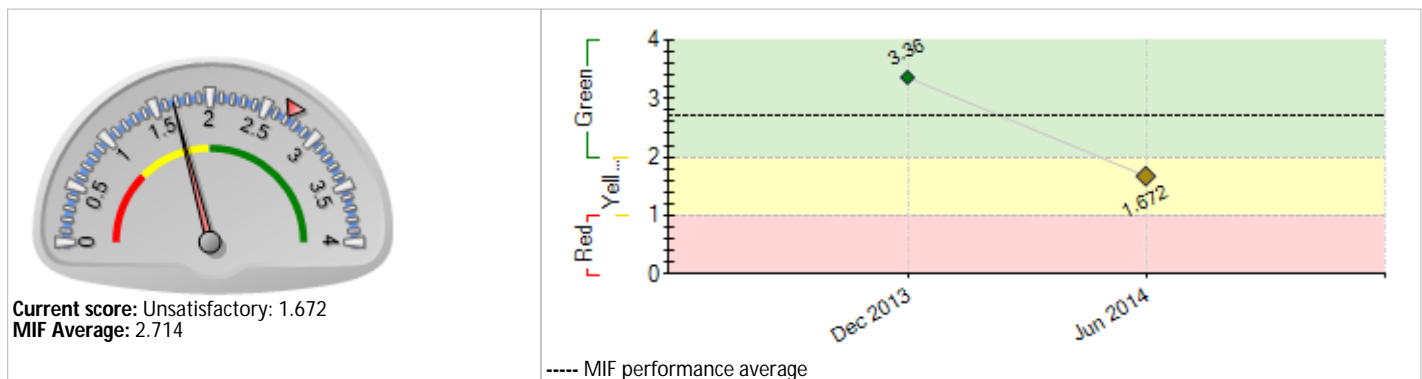
TIMELINE



FUNDS



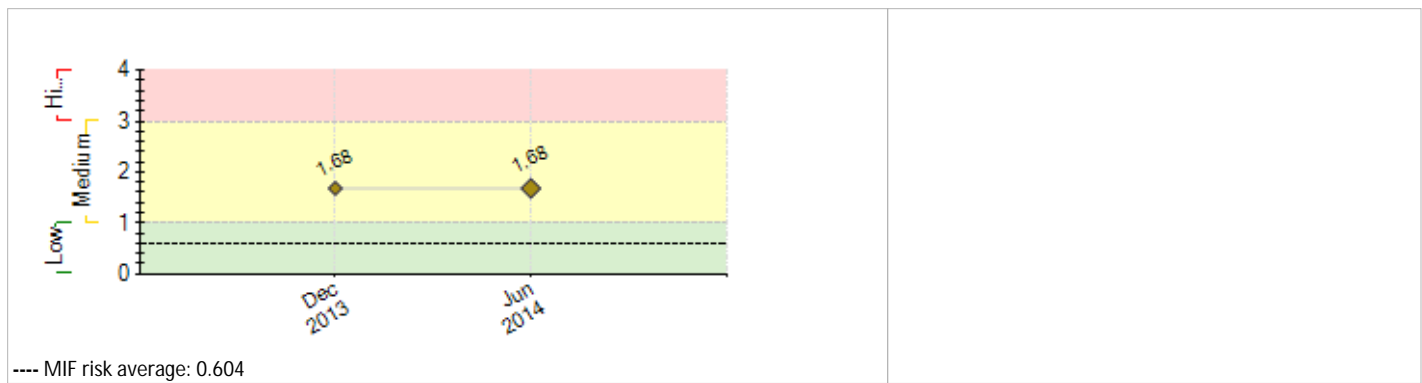
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: High
Procurement: High
Technical Capacity: 0



SECTION 2: PERFORMANCE

Summary of project performance since inception

No se recibió respuesta

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

El proyecto esta en proceso de cambio de ejecutor por las causas que se mencionan en los documentos adjuntos (carta de DDD).

Summary of project performance in the last six months

No se recibió respuesta

Comments from the Supervision Team Leader

Partially Agree with the Executing Agency comments

El proyecto esta en proceso de cambio de ejecutor por las causas que se mencionan en los documentos adjuntos (carta de DDD).

SECTION 3: INDICATORS AND MILESTONES

	Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Result: Impact sourcing business model in Peru is financially viable while empowering disadvantaged youth with workforce experience and marketable skills.	R.1 95% of the youth will have mastered the relevant skills in English achieving Town Level 7 based on online assessment	0				95 Jun 2016	0	
	R.2 95% of the youth will score at least 80% on basic office skills problem-situation assessment covering computers, Internet, and Microsoft Word and Excel knowledge according with BPO standards.	0	70 Jun 2015			95 Jun 2016	0	
	R.3 95% of program participants will have had at least one year of work experience in a formal setting.	0				95 Jun 2016	0	
	R.4 DDD Peru achieves breakeven on an annual business basis .	0	0.6 Jun 2015			1 Jun 2016	0	
	R.5 95% of alumni score 8 or above (out of 10) on General Self Efficacy scale measuring optimistic self-beliefs to cope with difficult situations in life.	0				95 Jun 2016	0	
	R.6 95% of the youth will have mastered the relevant skills in English achieving Town Level 6 based on online assessment	0				95 Jun 2015	0	
Component 1: Develop a local business plan Weight: 22% Classification: High Satisfactory	C1.11 DDD Peru is reporting independently					Jun 2015	Yes Jan 2014	On Course
	C1.12 Legal entity incorporated and established in Peru, or partnership established that provides legal entity for the social enterprise					Jun 2014	Yes Aug 2013	On Course
	C1.13 Minimum of US\$500,000 in services contracted.	0				500000 Jun 2014	0 Dec 2013	On Course
Component 2: Launch, recruitment, and training Weight: 30% Classification: Satisfactory	C2.11 Number of youth that have applied for the program. (Disaggregated by sex and disability).	0	500 Dec 2014			1200 Jun 2016		
	C2.12 Number of youth that have completed training in relevant skills for BPO services. (Disaggregated by sex and disability).	0				250 Dec 2014		
	C2.13 Number of youth employed in impact sourcing jobs in the pilot phase. (Disaggregated by sex and disability).	0				100 Dec 2014		
	C2.14 The turnover rate for youth working/studying is less than 5%.	0				5 Jun 2016		
Component 3: Expansion of the model Weight: 36% Classification: Satisfactory	C3.11 200 additional youth complete or are in training (300 total). (Disaggregated by sex and disability)	0				200 Jun 2015		
	C3.12 US\$1 million of new services contracted by clients.	0				1000000 Jun 2015		
	C3.13 Number of new business services are offered to meet local and international demand.	0				2 Jun 2016		
	C3.14 \$1.5 USM of new services contracted by clients.	0				1500000 Jun 2016		
	C3.15 Number of additional youth who complete or are in training (500 total). (Disaggregated by sex and disability).	0				400 Jun 2016		

Component 4: Knowledge capture and dissemination**Weight:** 12%**Classification:** High Satisfactory

C4.11	Number of national or international, private or public sector, audiences engaged (as donors, clients, allies) in the	0				10 Jun 2016		
C4.12	Number of people attending training courses for work impact sourcing in Latin America	0				300 Jun 2016		
C4.13	One firm commitment for the expansion of the Impact Sourcing model to another region in Peru or another country in Latin America.					Jun 2016		

Milestones	Planned	Due Date	Achieved	Date achieved	Status	
M1	Condiciones previas	1	Dec 2013	1	Dec 2013	Achieved
M2	Legal entity incorporated and established in Peru	1	Jun 2014	0.2	Aug 2013	Not Achieved
M3	Agreements with training institutions for the training of the youth	1	Jun 2014	0.2	Oct 2013	Not Achieved
M4	Local market analysis study verifying feasibility of the DDD social business model	1	Jun 2014	0.4	Dec 2013	Not Achieved
M5	100 Youth have completed training in relevant skills	100	Dec 2014			
M6	Office facilities set-up	1	Dec 2014			
M7	300 Youth complete or are in training	300	Jun 2015			
M8	DDD Peru achieves breakeven on a Business Basis	1	Dec 2015			
M9	Publication and dissemination of a Case Study on DDD Peru social business model	1	Dec 2015			
M10	Development and dissemination of a Guide to Sustainable Impact Sourcing in LAC	1	Jun 2016			

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE*[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. There is a sufficient local demand for impact sourcing services in Peru and the LAC region.	High	In addition to the market research to be implemented by Deloitte for the local market in Peru, Frost & Sullivan will support DDD through consultations on the outsourcing market in the LAC region.	Project Guest
2. There is sufficient business demand for DDD services to justify hiring expansion.	Medium	The market study currently being designed and will be implemented by Deloitte Peru will inform our next actions regarding expansion plans which include recruitment and hiring. We complement the research with direct interactions with potential client organizations to design service offerings that can be delivered in the near term.	Project Guest
3. Training institutes are qualified to deliver the necessary services for the DDD model in time and form.	Medium	We are exploring partnerships with SENCICO, CIBERTEC, Cisco and the Peruvian Ministry of Education and Ministry of Development, as well as other technical schools to train beneficiaries with skills suited to BPO work.	Project Guest
4. Qualified youth (highly skilled from low income backgrounds) are available and highly interested in joining the DDD program and pursuing higher education.	Medium	We are studying partnerships with NGOs that work with youth that may help DDD in recruitment and training. We are in talks with CIBETEC, Ministerio de la Mujer y Poblaciones Vulnerables and Telefónica-Movistar to help in the screening of beneficiaries that DDD will recruit and train. There are also possibilities for CIBERTEC and SENCICO to provide training at special rates (or for free) – helping reduce the costs of training.	Project Guest
5. Socioeconomic context and legal conditions permit the successful replication and expansion of the DDD model in Peru.	Medium	Deloitte's experience in Peru will help derive more intelligence to inform next actions for establishing and expanding the enterprise. Legal counsel from Miranda y Amado and their participation in the Advisory Board will help DDD navigate legal and bureaucratic roadblocks that could hamper the project's progress.	Project Guest

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 7 **IN EFFECT RISKS:** 7 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** LP - Low Probability**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY****Issue**[X] Lack of **commitment** from the executing agency to continue or expand the project's services and/or activities**Comments**[X] A **market** is not generated for the project's services and/or activities (low payment capacity or low demand for those services)[X] Lack of organizational, managerial and financial management capacity to **continue** and sustain the program once the execution phase is finalized.**Actions related to sustainability which will be or have been implemented:**

This operation has been cancelled

SECTION 6: PRACTICAL LESSONS

[No lessons learned added yet.]