



**SBDC Performance Appraisal**

Parent Organization (PO): Samawa Chamber of Commerce  
Date PO Established: 1958  
Date SBDC Established: The Samawa SBDC was established in October 2009  
SBDC Maturity Stage: Four (116/150)  
Assessment Date: May 30, 2012 (1st Quarter Assessment, 2012)

BDS Advisor: Clifton Barton

Signature of BDS Advisor:

Comments by BDS Director:

The Samawa SBDC (S-SBDC) has made excellent progress over the past quarter implementing new services and working to achieve sustainable business operations to support SME development in Muthanna Province. The SBDC has been one of the top performers involved in implementing the Iraqi Youth Initiative, including the YEAF and YEP components. They have also been actively engaged in implementing new services, including their marketing and printing center and a business newsletter and advertising services program. They are currently preparing to launch a new employment services center to help local citizens in Muthanna province and elsewhere in the southern region to find jobs. They have continued to be moderately successful in attracting funds from other donors and clients and are delivering for-fee services in areas such as translation services and English language and computer training. In addition, they have significantly expanded their community outreach efforts by conducting conferences, business forums, and special training programs. Altogether they are making good progress in developing their capabilities to serve as an effective local business development agency and business service provide.

BDS Component Leader: Husam Habibeh

Signature of BDS Director:



## **2. Purpose of Appraisal:**

The purpose of this Appraisal is to evaluate the activities and achievements of the Small Business Development Centers (SBDCs) supported by USAID-Tijara with respect to their performance in promoting provincial economic growth and prosperity for all Iraqis.

In particular, this Appraisal is intended to evaluate the effectiveness of the SBDC's in the following areas:

- Expansion of the services by the SBDCs for the benefit of their communities.
- Improvements brought about in the SBDCs sustainability by access to multiple funding sources.
- Increasing the number of people able to take advantage of services of the SBDCs.

## **2. Major Components of the Evaluation:**

### **2.1 Revenue Generating Activities through a program of improved product offering and services delivery**

- 2.1.1 Training Programs: (HSB, HIB, Computers, Languages etc)
- 2.1.2 Business Consulting: (Legal Advice, Business Plans, Accounting Advice, Management Advice etc)
- 2.1.3 Community Activities: (Trade Shows, Rental of Halls, Economic Surveys etc)
- 2.1.4 Linkages with MFIs / Banks and Referrals for Loans
- 2.1.5 Summary of Impact Assessment Survey Participants Responses for that Quarter

#### Strengths:

- The S-SBDC has made excellent progress in implementing new programs to generate revenues from local businesses and other local clients. These include their Marketing Service Center and their business newsletter and advertising services program. During the next quarter they will launch a new employment services center which should help them generate additional revenues to sustain their SBDC operations.
- The S-SBDC has occasionally offered some training programs beside HSB and HIB, including English and computer skills on an intermittent basis.
- The S-SBDC has developing additional for-fee services to respond to client needs, including translation services, feasibility studies, legal advisory services, managing business development events, and providing internet access.
- The S-SBDC's management is sound. The executive director and staff have benefitted from participation in Tijara-sponsored training programs and advice provided by BDS advisors and field coordinators.
- The S-SBDC had been actively engaged in implementing the IYI program and has been one of the top SBDC performers involved in this program.

#### Weaknesses:

- The relationship with its parent organization, the Samawa Chamber of Commerce, is cordial with duties and responsibilities of both parties fairly well defined.
- The S-SBDC needs to continue to improve its accounting and financial reporting systems, including project accounting for their revenue generation services.



Concerns/Issues:

- With the IYI program and other Tijara funding sources phasing out, the S-SBDC will need to redouble its efforts to seek funding from other sources to support economic development initiatives. In addition, it will need to carefully manage its client service programs (printing, advertising, and employment services) to generate revenues to sustain its operations during intervals when other program funds are not available.
- The S-SBDC will need to recruit and train competent program managers and technical staff in order to manage and deliver its expanding array of programs and services.

Recommendations:

- The S-SBDC needs to continue to upgrade its promotional materials, including an English language website and a new capabilities statement in order to support its fund-raising efforts and community outreach.
- The S-SBDC needs to continue to work on diversifying its client base, revenue streams and funding sources by upgrading its capacity to develop good proposals and expanding contacts with potential corporate sponsors, government clients, and donor organizations.
- The SBDC should continue to work on developing its management and staff capabilities to improve organizational effectiveness and revenue generation goals.

## **2.2 SBDC Deliverables**

- 2.2.1 Business Plan for future sustainability
- 2.2.2 Self-Assessment
- 2.2.3 Monthly and Quarterly Program Reports
- 2.2.4 Financial reports
- 2.2.5 Updated work plan

Strengths:

- The S-SBDC has produced a 2012 Business Plan, Strategic Plan and beginning year Work Plan that is considerably better than those submitted in previous years
- S-SBDC provides Weekly, Monthly and Quarterly program reports in a timely manner.
- S-SBDC provides monthly Financial reports

Weaknesses:

- The S-SBDC's financial management systems need additional work to enable the organization to properly account for its revenues and expenses, particularly with respect to accounting for accrued expenses, depreciation, and cash flow.
- The S-SBDC needs to prepare more regular work plan updates for its core services.
- The S-SBDC needs to implement project accounting procedures to track income and expenses for its different projects and incorporate include updated financial information in its monthly financial reports.

Concerns/Issues:

- USAID-Tijara reporting requirements and meetings require a heavy commitment of SBDC management time, which tends to impose a heavy burden on their limited management and staff resources.

Recommendations:



- The S-SBDC needs to further develop its accounting capabilities to be able to provide effective project accounting.
- The S-SBDC will need continuing technical assistance from the BDS team develop new services and develop effective management systems for its existing business activities.

## **2.3 Financial, Budgeting and Program Reporting**

- 2.3.1 Record Keeping of Participants
- 2.3.2 Specific Revenue Generating Activities and Amounts
- 2.3.3 Monthly & Quarterly Financial Reports:
- 2.3.4 Monitoring & Evaluation of Activities
- 2.3.5 Monthly program tracking reports

### Strengths:

- S-SBDC does a good job of reporting on its program activities
- The S-SBDC has been doing a much better job during the past year in reporting on project performance and success stories.

### Weaknesses:

- The S-SBDC needs to train its project managers to help the director handle financial and program reporting requirements.

### Concerns/Issues:

- The reporting requirements place a heavy burden on S-SBDC's small staff; it will need to continue to train its staff to handle project management and financial reporting tasks in a professional manner.

### Recommendations:

- S-SBDC needs to build up its staff and management capabilities; there is a particular need for competent project managers.
- Financial accounting procedures need to be improved to track and report on project finances.

## **2.4 Outreach, Communications and Community Awareness**

- 2.4.1 Linkages with MFIs and Banks
- 2.4.2 Specific Market Led Training Programs Rolled Out
- 2.4.3 Linkages with Other Stakeholders
- 2.4.4 MSME Success Stories

### Strengths:

- The S-SBDC director has excellent contacts in the local business community and does a good job in conducting conferences and marketing events.
- The S-SBDC has performed well in implementing the IYI program, which required increased community outreach and efforts to work with local employers.
- The S-SBDC has been performing well in implementing business conferences and community outreach activities.



- The new Muthanna business newsletter offers a new channel for communicating with the local business community and other local stakeholders.

Weaknesses:

- The S-SBDC needs to continue to build up its communication capabilities including taking full advantage of new communication channels, including an upgraded website and effective communications through its newsletter.

Concerns/Issues:

- The S-SBDC will need to continue to invest in training programs for its project managers, accountant, and sales staff.

Recommendations:

- The S-SBDC needs to build on its successful track record in conducting business conferences and roundtables to publicize its activities and build awareness of SME development opportunities in the local area.
- S-SBDC should seek to improve its abilities to use new media channels such as its website, the business newsletter, press releases, etc. to improve its external communications.

## **2.5 HR Management and SBDC Staff:**

- 2.5.1 Staff Qualifications & Turnover
- 2.5.2 Staff job descriptions updated and reflect the current SBDC organization structure
- 2.5.3 SBDC Director's efficiency in managing the Center
- 2.5.4 Training capabilities of the SBDC trainers
- 2.5.5 SBDC staff training needs

Strengths:

- The S-SBDC has a proper organization structure
- They have an adequate supply of high quality short-term trainers

Weaknesses:

- The S-SBDC has a very small core staff that is fully engaged in managing its core operations. New staff that have been added for new activities such as their printing center and business newsletter and advertising services need additional training and close supervision.
- They need to recruit additional trainers with business experience, particularly for more advanced courses on various topics related to "Improving your business" including marketing and sales promotion.

Concerns/Issues:

- Retaining and building qualified staff with specialized business skills as programs are expanded, including staff with management, marketing, and technical skills to serve in their new marketing and printing center

Recommendations:

- The S-SBDC needs to focus upgrading the business management, sales management, and technical skills of its staff involved in operating their Marketing and Printing Center services
- The S-SBDC needs to recruit and train qualified project managers.



- The S-SBDC should seek to expand its network of business consultants and technical specialists and look for ways to draw upon these additional resources to broaden and upgrade the SBDC’s service offerings.

*Technical Assistance Provided:*

- 2.5.6 Observations during visits by Advisor / Field Coordinator:
- 2.5.7 Interactions on different initiatives:
- 2.5.8 Financial Support Provided:
- 2.5.9 General Comments

Comments:

- Advisor and Field Coordinator have a good working relationship with the S-SBDC executive director and staff
- The BDS team has ongoing conversations with the SBDC director regarding ideas for new services and grant-funded programs.

Recommendations:

- S-SBDC needs to continue its efforts to develop efficient management and marketing systems for its new client services.
- The S-SBDC management should continue to build up its staff and management capabilities in order to successfully implement its current and new business development plans.

**3. Maturity Stage Check List**

**Name of SBDC: Samawa  
Business Development  
Center**

**Period of SBDC Evaluation:  
Feb 1 2012-April 30 2012**

<b>Name of Evaluator: Cliff Barton</b>	<b>Date of Evaluation: May 31,2012</b>
--	--

<b>SBDC INSTITUTIONAL CAPACITY DEVELOPMENT</b>			
<b>GOVERNANCE, LEADERSHIP AND ORGANIZATIONAL ISSUES</b>		<b>value</b>	<b>score</b>
<b>LEGAL REQUIREMENTS</b>		<b>0-2</b>	<b>2</b>
Initial legal requirements met (registration of SBDC & MOU )		n=0, y=1	1
Legal requirements current, including current registration and MOU between Tijara and SBDC		n=0, y=1	1
<b>STRATEGIC PLANS, BUSINESS PLANS, AND ACTION PLANS</b>		<b>0-15</b>	<b>15</b>
Vision and Mission defined		n=0, y=1	1
Development of a long-term strategic plan (2-5 years)		n=0, y=1	1



Development of SMART short-term goals (12 months or less) in the business plan; these goals should be aligned with and prioritized from the long-term strategic plan	n=0, y=1	1
Development of action plans	n=0, y=1	1
Evaluation of stakeholder needs	n=0, y=2	2
Evaluation of customer needs	n=0, y=2	2
Identified markets segments (customers) and delivery levels of key services to the local market	n=0, y=2	2
Role of the SBDC in its provincial economic development effort	n=0, y=2	2
SBDC is achieving results listed in business plans and action plans	n=0, y=3	3
<b>BOARD OF DIRECTORS, BY-LAWS, AND ORGANIZATIONAL SUPPORT</b>	<b>0-6</b>	<b>6</b>
Board of Directors initiated, parent organization buy-in	n=0, y=1	1
Clear and strong management, leadership, and governing structure	n=0, y=1	1
Board of Directors meet regularly	n=0, y=2	2
Board of Directors is providing effective oversight	n=0, y=2	2
<b>STAFFING AND RESOURCE UTILIZATION</b>	<b>0-12</b>	<b>12</b>
The SBDC's organizational structure must be consistent with the SBDC's mission, goals and funding ability. The SBDC must be capable of supporting the strategic plan.	n=0, y=2	2
SBDC leader systematically sets direction, addresses current and future opportunities, communicates and deploys performance expectations	n=0, y=2	2
Business advisors/counselors, research assistants, program directors, etc., have appropriate qualifications and experience	n=0, y=2	2
Position descriptions developed and the SBDC demonstrates that its staffing pattern is appropriate and adequate	n=0, y=2	2
Operations manual developed	n=0, y=1	1
Executive director and staff trained in basic SBDC functions	n=0, y=1	1
Staff and managers have been trained and achieved acceptable competency levels in advanced operations (accounting, proposal writing, reporting, etc.	n=0, y=1	1
Facilities and equipment are adequate	n=0, y=1	1
<b>GOVERNANCE, LEADERSHIP AND ORGANIZATIONAL ISSUES Score</b>	<b>0-35</b>	<b>35</b>
<b>PROGRAM DELIVERY AND MANAGEMENT</b>	value	score
<b>PROJECT MANAGEMENT AND REPORTING SYSTEMS</b>	<b>0-13</b>	<b>13</b>
Project management procedures documented	n=0, y=1	1
Project managers consistently following project management guidelines	n=0, y=1	1
The SBDC has systems in place that ensures sound fiscal and contractual management of its programs	n=0, y=1	1



Budget management and cost-effectiveness of results achieved	n=0, y=2	2
Achievement of action plans, short-term goals and strategy	n=0, y=2	2
The SBDC has a system in place to document its work performance and outcomes	n=0, y=2	2
SBDC staff produces/delivers regular performance reports	n=0, y=2	2
The SBDC produces/delivers adequate and accurate financial reports on a regular basis	n=0, y=2	2
<b>BUSINESS DEVELOPMENT AND FUND RAISING CAPABILITIES</b>	<b>0-17</b>	<b>17</b>
The SBDC demonstrates it has a systematic process or processes to analyze the needs of its small business community	n=0, y=1	1
Regular customer satisfaction and needs assessments conducted	n=0, y=1	1
The SBDC demonstrates it utilized the results of the analyses to develop and deliver programs to meet identified needs	n=0, y=2	2
The SBDC systematically promotes its programs and services to the general public and particularly to the small business community	n=0, y=2	2
The SBDC produces and distributes publications, pamphlets, brochures, audio/video aids, web site and/or other information and materials for use by small businesses	n=0, y=2	2
The SBDC is capable of building strong stakeholder relationships and is able to determine stakeholders' level of satisfaction	n=0, y=3	3
The SBDC is able to demonstrate a strategy for seeking supplemental funding that is consistent with the SBDC strategic plan	n=0, y=3	3
Evidence of extensive networking, linkages, cooperation and integration with the chambers of commerce, business and trade associations and economic development entities in the province	n=0, y=3	3
<b>CONSULTANTS AND ADVISORS NETWORK</b>	<b>0-5</b>	<b>5</b>
Database or roster of advisors and consultants to support SBDC service delivery is being developed	n=0, y=1	1
Advisory and consultants network expanded and being used to help deliver training and consulting services	n=0, y=2	2
Partnerships developed with universities and other service providers and being used to expand training and other service delivery capabilities	n=0, y=2	2
<b>PROGRAM DELIVERY AND MANAGEMENT Score</b>	<b>0-35</b>	<b>35</b>

<b>SERVICE DELIVERY PERFORMANCE</b>			
SERVICE DELIVERY		value	score
Average number of donor-funded <b>training</b> sessions conducted/quarter		<b>0-5</b>	<b>5</b>
	3-5 sessions	score 1 →	
	6-8 sessions	score 2 →	
	9-11 sessions	score 3 →	
	12 or more sessions	score 5 →	5
Ave. number of <b>other</b> donor-funded programs conducted/quarter (not training programs)		<b>0-5</b>	<b>2</b>



	0 programs	score 0 →	
	3-5 programs	score 1 →	
	6-8 programs	score 2 →	2
	9-11 programs	score 3 →	
	12 or more programs	score 5 →	
<b>Number of for-fee training courses offered /quarter</b>		<b>0-5</b>	<b>0</b>
	0 courses	score 0 →	0
	3-5 courses	score 1 →	
	6-8 courses	score 2 →	
	9-11 courses	score 3 →	
	12 or more courses	score 5 →	
<b># of clients who paid to participate in training programs/quarter</b>		<b>0-5</b>	<b>0</b>
	0 clients	score 0 →	0
	10-29 clients	score 1 →	
	30-59 clients	score 2 →	
	60-89 clients	score 3 →	
	90 or more clients	score 5 →	
<b>Number of for-fee business services offered during the quarter</b>		<b>0-5</b>	<b>5</b>
	0 services	score 0 →	
	3-5 services	score 1 →	
	6-8 services	score 2 →	
	9-11 services	score 3 →	
	12 or more services	score 5 →	5
<b># of clients who paid for business services during the quarter</b>		<b>0-5</b>	<b>5</b>
	0 clients	score 0 →	
	1-5 clients	score 1 →	
	6-8 clients	score 2 →	
	9-11 clients	score 3 →	



	12 or more clients	score 5 →	5
<b>SERVICE DELIVERY PERFORMANCE Score</b>		<b>0-30</b>	<b>17</b>

**SBDC INSTITUTIONAL CAPACITY DEVELOPMENT Total Score 0-100 87**

FINANCIAL PERFORMANCE AND VIABILITY				values	score
Year to End Revenues (total)				\$63,340	no score
Year to End Operating Expenses (total)				\$46,500	no score
<i>(Use figures from financial reports)</i>					
	Actual %				
% of revenues from USAID-Tijara	75%	if Tijara is 100%	score 0→		
% of revenues from GOI sources and other (Non Tijara)	15%	if Tijara is 75-100%	score 10-19 →		
% of revenues from client fees (for-fee services)	10%	if Tijara is 50-74%	score 20-29 →		29
	100%	if Tijara is 40-49%	score 30-39 →		
		if Tijara is 25-39%	score 40-49 →		
		if Tijara is 0%	score 50 →		
<b>FINANCIAL VIABILITY Score</b>				<b>0-50</b>	<b>29</b>

MATURITY INDEX	INSTITUTIONAL CAPACITY SCORE	VIABILITY SCORE	TOTAL SCORE
Stage I Maturity Level	0-35	0-12	<b>0-47</b>
Stage II Maturity Level	36-65	13-25	<b>49-90</b>
Stage III Maturity Level	66 - 80	26-35	<b>92-115</b>
Stage IV Maturity Level	80-100	36-50	<b>116-150</b>
<b>SBDC SCORE</b>	<b>87</b>	<b>29</b>	<b>116</b>

**Maturity Level: Stage IV (beginning step)**



**4. Summary of Recommendations:**

- S-SBDC needs continue building its capacity to manage its programs and services, including training project managers and building its network of consultants and trainers.
- The S-SBDC should continue its efforts to diversify its funding sources, including increasing revenues from for-fee services.
- S-SBDC should continue to devote attention to community outreach efforts by conducting regular business forums and publicizing its activities through various media channels.
- S-SBDC management needs to update its work plans on a regular basis and use these plans track and measure performance..

**5. Specific Action Items and Timeline for Achievement:**

- Implement new employment services project – May through September
- Implement marketing strategy to help generate funds from a broader network of sponsors and donors to replace Tijara funds. Immediate priority
- Work with other SBDCs under the umbrella of the new SBDC management association to undertake collective market development and promotional activities to promote the SBDC network and the capabilities of individual SBDCs to a wider audience of donors, sponsors, and clients.