

PD/AAE-975/15
1511-14906

CLASSIFICATION
PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-14

1. PROJECT TITLE RURAL ENTERPRISE EXTENSION SERVICE		2. PROJECT NUMBER 633-0212	3. MISSION/AID/W OFFICE USAID/BOTSWANA
		4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) <input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION	

5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING A. Total \$ _____ B. U.S. \$ 499,095	7. PERIOD COVERED BY EVALUATION From (month/yr.) 10, 1978 To (month/yr.) 9, 1979	
A. First PRO-AG or Equivalent FY 78	B. Final Obligation Expected FY 78	C. Final Input Delivery FY 82		Date of Evaluation Review 9th Nov. 1979	

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)

B. NAME OF OFFICER RESPONSIBLE FOR ACTION

C. DATE ACTION TO BE COMPLETED

- | | | |
|--|------------------------------------|------------|
| 1. A firm Agreement be reached with the Government of Botswana that the PFP Business Advisory Service will be merged with the Business Advisory Service of the Ministry of Commerce and Industry in September, 1981. | PFP General Manager | Jan 1980 |
| 2. That towards effectively accomplishing (1) above, MCI: | | |
| A) Clearly define the duties of the Commercial Officer in charge of the BAS programme and limit these duties to the planning and direction of a business education service; | Director of Commercial Affairs MCI | ASAP |
| B) That as an immediate priority MCI seek approval for, fund and staff a field supervisor to assume monitoring of BAS field officers and the impact of their efforts; | MCI/BAS Program Senior | April 1980 |
| C) Recognize that the MCI - BAS program does not have a capacity for staff and in-service training and plan now to provide this capacity at point of merger; | " | Sept 1981 |
| D) That the duties and the pay scales for these duties of the PFP and the BAS field personnel be standardized to assume smoth transition at point of merger. | PFP General Manager | April 1981 |

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	_____
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P	_____

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

A. Continue Project Without Change
MINSF

B. Change Project Design and/or
 Change Implementation Plan

C. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

12. Mission/AID/W Office Director Approval

Signature: *[Signature]*

Typed Name: *LOUIS A. CORN*

Date: _____

CLASSIFICATION
PROJECT EVALUATION SUMMARY (PES) - PART I

Port Symbol U-14

1. PROJECT TITLE RURAL ENTERPRISE EXTENSION SERVICE	2. PROJECT NUMBER 633-212	3. MISSION/AID/W OFFICE USAID/BOTSWANA
4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) <input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION		

5. KEY PROJECT IMPLEMENTATION DATES A. First PRO-AG or Equipment FY <u>78</u> B. Final Obligation Expected FY <u>78</u> C. Final Input Delivery FY <u>82</u>	6. ESTIMATED PROJECT FUNDING A. Total \$ _____ B. U.S. \$ <u>499,095</u>	7. PERIOD COVERED BY EVALUATION From (month/yr.) <u>10, 1978</u> To (month/yr.) <u>9, 1979</u> Date of Evaluation Review <u>3th Nov. 1979.</u>
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8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., sirgram, SPAR, PIO, which will present detailed request.)

B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
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3. That the present monitoring the evaluation system be redesigned and streamlined with a view to evolving the minimum data gathering system that will produce critical information on the quantity and quality of outputs and impact.	PFP General Manager	Nov. 1980
4. That the program proposal indicators be amended to those recommended in section 18 of this evaluation.	Project Officer	
5. That the funding agency, USAID, consider providing funds in excess of the program grant to train PFP sponsored candidates in business management and technical subjects necessary to assure the long term success of the program should the present grant not prove adequate for this purpose.	USAID Project Officer	N/A
6. Recognize that an increased portion of the present grant will be allocated to planning and feasibility analysis of future enterprise development services PFP can provide the Government of Botswana.	USAID Project Officer	N/A
7. That the criteria for evaluating this program be based in the future on assessing the <u>quality</u> of outputs and impact, rather than accepting numbers at face value.	USAID Project Officer	N/A

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

<input type="checkbox"/> Project Paper	<input checked="" type="checkbox"/> Implementation Plan & CPI Network	<input type="checkbox"/> Other (Specify): _____
<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIQ/T	
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIQ/C	<input checked="" type="checkbox"/> Other (Specify): _____
<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIQ/P	

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

A. Continue Project Without Change

NIDP

B. Change Project Design and/or
 Change Implementation Plan

C. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER BANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

12. Mission/AID/W Office Director Approval

Signature: _____

Title: _____

Date: _____

THIS EVALUATION IS ORGANIZED ACCORDING

TO THE FOLLOWING FORMAT

13. **SUMMARY** - Summarize the current project situation, mentioning progress in relation to design, prospects of achieving the purpose and goal, major problems encountered, etc.

14. **EVALUATION METHODOLOGY** - What was the reason for the evaluation, e.g., clarify project design, measure progress, verify program/project hypotheses, improve implementation, assess a pilot phase, prepare budget, etc? Where appropriate, refer to the Evaluation Plan in the Project Paper. Describe the methods used for this evaluation, including the study design, scope, cost, techniques of data collection, analysis and data sources. Identify agencies and key individuals (host, other donor, public, AID) participating and contributing.

15. **EXTERNAL FACTORS** - Identify and discuss major changes in project setting, including socio-economic conditions and host government priorities, which have an impact on the project. Examine continuing validity of assumptions.

16. **INPUTS** - Are there any problems with commodities, technical services, training or other inputs as to quality, quantity, timeliness, etc? Any changes needed in the type or amount of inputs to produce outputs?

17. **OUTPUTS** - Measure actual progress against projected output targets in current project design or implementation plan. Use tabular format if desired. Comment on significant management experiences. If outputs are not on target, discuss causes (e.g., problems with inputs, implementation assumptions). Are any changes needed in the outputs to achieve purpose?

18. **PURPOSE** - Quote approved project purpose. Cite progress toward each End of Project Status (EOPS) condition. When can achievement be expected? Is the set of EOPS conditions still considered a good description of what will exist when the purpose is achieved? Discuss the causes of any shortfalls in terms of the causal linkage between outputs and purpose or external factors.

19. **GOAL/SUBGOAL** - Quote approved goal, and subgoal, where relevant, to which the project contributes. Describe status by citing evidence available to date from specified indicators, and by mentioning the progress of other contributory projects. To what extent can progress toward goal/subgoal be attributed to purpose achievement, to other projects, to other causal factors? If progress is less than satisfactory, explore the reasons, e.g., purpose inadequate for hypothesized impact, new external factors affect purpose-subgoal/goal linkage.

20. **BENEFICIARIES** - Identify the direct and indirect beneficiaries of this project in terms of criteria in Sec. 102(d) of the FAA (e.g., a. increase small-farm, labor-intensive agricultural productivity; b. reduce infant mortality; c. control population growth; d. promote greater equality in income; e. reduce rates of unemployment and underemployment). Summarize data on the nature of benefits and the identity and number of those benefitting, even if some aspects were reported in preceding questions on output, purpose, or subgoal/goal. For AID/W projects, assess likelihood that results of projects will be used in LDC's.

21. **UNPLANNED EFFECTS** - Has the project had any unexpected results or impact, such as changes in social structure, environment, health, technical or economic situation? Are these effects advantageous or not? Do they require any change in project design or execution?

22. **LESSONS LEARNED** - What advice can you give a colleague about development strategy, e.g., how to tackle a similar development problem or to manage a similar project in another country? What can be suggested for follow-on in this country? Similarly, do you have any suggestions about evaluation methodology?

23. **SPECIAL COMMENTS OR REMARKS** - Include any significant policy or program management implications. Also list titles of attachments and number of pages.

PD-NAK-975/15
ISN-14906

AN EVALUATION OF THE PFP BOTSWANA BUSINESS ADVISORY SERVICE

63342124d
1541

First Year of Operation

1.10.78. - 10.9.79.

Prepared for : USAID/Botswana
PFP Botswana
Partnership for Productivity Foundation/USA Ltd.

Under USAID Grant No. 78-633-29

by

Dr. Cheryl Lassen

November 1979

13. Summary

AID Grant 78-633-29 to Partnership for Productivity/Botswana was made to establish an effective extension service that would provide management training to small scale entrepreneurs. Another aim is to strengthen existing structures and programs in Botswana that assist enterprise development. The first operational year of the three year grant was evaluated with a view to determining the suitability of the client selection criteria; of the training; of the extension officers, and the effectiveness of the methods of service delivery. Results of the first year are apparent enough to give a good idea of what factors can increase the quantity and quality of outputs of this small enterprise development service.

To operationalize the small enterprise extension service Partnership for Productivity/Botswana made an agreement with the Government of Botswana whereby the Ministry of Commerce & Industry would administer this service in the northern half of the country and PFP would operate it in the south. To-date the MCI's Business Advisory Service operates three offices with five consultant positions in the north and PFP operates three offices with seven consultant positions in the south. PFP also has responsibility for designing the operational systems of the small enterprise system such as consultant training, curriculum materials, and management/monitoring systems. The way in which the PFP and the BAS services are evolving is relevant to this evaluation because they are scheduled for merger into a single MCI system in September, 1981.

PFP experience to-date indicates that the requirements to train consultants and clients are greater than was anticipated in the original program proposal. This resulted from the proposal being largely based on PFP program experience in Kenya, and not on certain conditions particular to Botswana, especially the shortages of skilled manpower and management expertise, and the low level of commercial development of Botswana entrepreneurs. (Further discussion in Section 15). It seems appropriate for Botswana that PFP management stress the attainment of standards of competency

in work performance rather than facile increases in the number of consultants, worksites, duties, clientload, etc. - all of the latter being prone to give the appearance of achievement when, in fact, there is little or no actual substance. This is the major challenge PFP faces in developing the training, management and monitoring systems of the extension service: to produce real improvement in the performance of consultants and clients rather than play a "numbers game".

The evaluation found that three problem areas need to be addressed more adequately. Firstly there is the problem that at present the output of consultants has limited impact on better enterprise management because the majority of the clients receiving training are employees with no decision-making power, rather than the owners themselves. Part of the reason for this has to do with cultural aspects of Batswana entrepreneurs, but part has to do with a challenge faced by any extension service: the need to sell the innovation more effectively to those who would benefit most by adopting it. More attention must be paid to how to recruit the owner/manager that this program was meant to train. (Further discussion in Section 17).

A second problem area is the need for PFP and the BAS to develop as parallel services in terms of management systems, consultant training, consultant duties and wages, and especially, quality of outputs. Different points of view are developing in regard to key program issues, and it is necessary for PFP and the MCI Commercial Division to co-ordinate and resolve these early on, so that the two services will merge smoothly. (Further discussions in Sections 17 and 18).

A third problem area is the cumbersome monitoring system used by consultants to report their activities. The system is not methodologically reliable, because 12 consultants make 12 different judgements on what constitutes "client improvement". If taken seriously, the monitoring system requires too much supervisory time to verify inconsistencies. Finally, too much stress is put on checking up on consultants, and too little attention is paid to the impact made on the enterprise and the wider community by the management training service. (Further discussion in Section 22).

Botswana is in urgent need of commercial development and of good management training institutions. PFP has a unique position in the country because it is the only program responding directly to private sector management training needs. It does this on a small scale and a cost-intensive basis right now because of the institution-building aspects of the enterprise extension service. To make it more cost effective in the future, the evaluation recommends that it turn over administration of the extension service to the Ministry of Commerce & Industry and concentrate on providing other institutions with PFP's specialized kinds of expertise as a compliment to their enterprise development programs. (Further discussions in Sections 19 & 20).

14. Evaluation Methodology

The reason for this evaluation is that future programing directions need to be determined based on a systematic analysis of experience to-date. For PFP Botswana, this is an evaluation to enable it to improve its processes and outputs rather than to measure impact in a final form. PFP's relationships to other institutions such as the MOI's Business Advisory Service, the Botswana Development Corporation (BDC) and the Botswana Enterprise Development Unit (BEDU) will also be clarified and evaluated for their appropriateness. Also, an assessment of how this small enterprise extension service is reaching and what its limitations are will be made. This will serve to identify prospective small enterprise development needs which are not currently being met by any institution or service in Botswana, and that PFP's special kind of expertise can be productively applied to. The evaluation will identify these potential areas of PFP activity and make recommendations as to how they should be pursued or expanded further. Such analysis is well within the terms of the program proposal which calls for PFP in Botswana to, "remain innovative in nature, adopting its methods and techniques in a continuing effort to increase efficiency and effectiveness".

At the request of PFP Botswana and with the consent of USAID/Gaborone, Partnership for Productivity/Washington contracted Dr. Cheryl A. Lassen, a rural sociologist with experience in program analysis and small enterprise development to perform the analysis. The evaluation began on October 17th, 1979 and concluded on November 9th, 1979. PFP worksites in the town of Gaborone, the major villages of Kanye and Mochudi, and the minor village of Moshupa were visited. Interviews of PFP consultants, PFP clients, and other local entrepreneurs were conducted.

In addition to Dr. Lassen, the other principal figures participating in this evaluation were John Grierson, General Manager of PFP/Botswana; and John Pielemeier and James Stanford, Project Officers of USAID/Gaborone. A list of the various institutional representatives interviewed during the course of this evaluation is also contained in Appendix 'C'.

15. External Factors

1. Given the fact that the experience gained in the first year of operation allows PFP to re-assess the assumptions made about the nature of clients, consultants, methods and program context, this evaluation hopes to learn from this experience to analyse three basic OPG assumptions about external factors. The first assumption was that Botswana entrepreneurs, although they lack technical/managerial skills, are similar to small business persons in Kenya, Nigeria, India and elsewhere in respect to being experienced, ambitious, profit-motivated, dynamic, etc. The second OPG assumption was that it is possible for PFP/BAS to hire relatively disciplined, motivated and responsible consultants, who with brief specialized training, are capable of performing tasks on an independent basis, caring for expensive equipment, and doing high quality work. A third OPG assumption was that this program would be implemented in a national context relatively favourable to small enterprise development. In a way, these assumptions painted a "best scenario" picture that does not realistically estimate what the challenges of small enterprise development are in Botswana. The

following paragraphs briefly analyze what program experience has been to-date with respect to Batswana entrepreneurs, consultant manpower, and the context for commerce development, and then relate this to changed (or, more clearly focussed) assumptions and program emphases.

The stereotype of a small entrepreneurs in Peoria, Illinois is that business is his or her primary occupation. He works seriously at managing the enterprise because doing a good job will bring status and respect within the community as well as economic gain. In Botswana, business is not the primary occupation of the majority of small entrepreneurs, nor is it perceived as the main way to achieve status and respect. Primary, high status occupations in Botswana are agriculture, cattle-raising and civil service. One usually has an enterprise in addition - and secondary to - these other endeavours. Having a store is a way to diversify ones savings with limited amounts of risk and limited dynamism as well. Especially for a Motswana man, business is not the occupation he concentrates on and devotes the majority of his energy, skill and ambition to. Such a situation is more likely with Batswana women, however, because they are restricted entry into the high-status occupations of cattle-raising and commercial farming. 1./

The implications of this for enterprise extension are that many Batswana business persons need more than technical training - it will require cultural change for them to apply themselves more seriously to improving the enterprise and managing it creatively.

1./ With a grant from the Rockefeller Brothers Fund, ORP/Botswana sponsored a Motswana sociologist, Mrs. Sheila Letshuiti, to do empirical research on the characteristics of small enterprises and attitudes of small entrepreneurs. Appendix 'D' contains some of the survey questions and preliminary tabulated results of this study for those who want a more detailed description of a small enterprise in Botswana.

Thus for cultural reasons, the target group of this program is going to be a difficult one to affect, more difficult than was assumed in the project proposal. Saying this does not imply that "cultural change" is impossible - only that it will take innovativeness and time.

Observations in a similar vein can be made about the quality of manpower available to become extension agents in this program. Countries at higher levels of economic development have labor forces with more competitive skills and work disciplines. In addition to technical education for the specific tasks being performed, it is not unusual in Botswana to require additional training and supervision in some basic skills and worker disciplines taken for granted elsewhere. For example, it cannot be assumed that someone knows how to drive a car and/or operate it properly so that the vehicle is not seriously damaged from sheer abuse. Attitudes about wanting to do a good job, to serve others, to approach one's work as if it were career development instead of a temporal way to earn a paycheck - these are not common ethics, even for those who are skilled by Botswana standards. So this is an important environmental characteristic which must be taken into account in looking at the appropriateness of program emphases. To slight the manpower constraint or give it a "best scenario" appraisal runs the risk of having an extension service that appears top notch in surface form (number of worksites, consultants trained, clientload), but is, in fact, minimal in substantive impact.

In addition to business not being a high prestige occupation (and perhaps because of it) a supportive policy environment for commercial/industrial activities is lacking in Botswana. Regulation and control of the private sector (licensing, price controls, etc.) are watchwords, even for small enterprises. Within the government, one of the weakest ministries is Commerce & Industry, where according to the analyst, 80% of the time of the MCI's Commercial and Industrial Divisions is consumed applying restrictive legislation to business rather than promoting it. ^{2.}

^{2.} Michael Lipton, Employment and Labour Use in Botswana, Gaborone: Government Printer, 1978, Vol. I, p. 98.

It is quite possible to set up a small enterprise extension service in form, but these three environmental constraints are a major challenge to really improving small enterprises management and development in substance.

16. Inputs

Inputs to the PFP small enterprise extension service include:

1. A grant of \$499,097 from AID for FY 1979-81
2. In-kind services from the Botswana Development Corporation that include Gaborone office space, office furniture, telephone & utilities and janitorial services of a monthly value of approximately P1,000 (U.S. \$1,282)
3. A grant of P1,000 from the Standard Bank (U.S. \$1,282).
4. A grant of \$12,000 from the Rockefeller Brothers Trust Fund.
5. A grant of £1,000 from Barclays Bank (U.S. \$1,411)

These material resources have been converted thus far into the following staff positions:

General Manager
Assistant General Manager
Field Supervisor
Technical Training Officer (Peace Corp
Volunteer)
6 PFP Consultants
1 Consultant seconded to MCI/SAS
3 Drivers
4 Vehicles

See Appendix 'B'.

The PFP staff are developing four kinds of operational systems. The first is a system to recruit and train small enterprise extension agents for PFP and the BAS. The second is a reporting system to monitor what kinds of training the consultants are doing with clients. The third is a management system to check field performance in regard to the amount and quality of impact on clients and the management of small enterprises. The fourth is a system of in-service training and the development of more appropriate learning materials for both consultants and clients.

PFP expenditure for training and supervision appear costly per number of consultants and clients trained thus far. The conscious intent of the PFP general manager has been to stress high worker productivity (by Botswana standards) and quality output in setting up these systems. His view is that unless consultants perform at certain levels of competence, the extension service will neither serve its present purpose nor establish the foundation on which the permanent program (BAS) is to be based.

One has to consider the PFP pattern of resource allocation in view of four factors. First, there have been repeated attempts since the early 1970's to establish this small enterprise extension service, none of which were successful. Second, this is an educational service; unless learning outputs have a certain level of quality, nothing will be gained individually or in a societal sense by producing them. Third, the nature of manpower constraints and the fact that Botswana traditionally has not had a high level of commercial development requires intensive and extensive training of consultants as well as of clients. Fourth, this service is not being run on significant infusions of skilled, expatriate manpower.

Even now the PFP small enterprise expansion service has already developed into a fairly input-intensive system in relation to supervision, training and reporting. This causes some contrasts between PFP and the MCI Business Advisory Service in regard to the level and use of inputs, which merit analysis.

The conditions under which the BAS obtains inputs are substantially different from those of a private organization like PFP. The BAS is not only within government, but within one of the politically weakest ministries. Commenting on the Ministry of Commerce and Industry's ability to obtain a share of the very scarce professional manpower, Michael Lipton writes :

The MCI is too understaffed to design and implement major projects. So it forfeits control of policy to other ministries and "their" parastatals. So it stays understaffed because its case for staff seems weak compared with busier ministries. Lacking control over policy, MCI concentrates on licensing - this now consumes 80% of the time of its Industrial and Commercial divisions! Still less can MCI discharge its positive functions, and still more is the resistance to assigning it the necessary staff. 3.

This constraint very much affects the BAS, which is the only domestic part of the MCI Commercial Division not involved in regulation and enforcement. The BAS is headed by an enthusiastic and hard-working commercial officer, Mr. Walter Dube. It currently operates three offices in the northern half of the country, in Francistown, Serowe and Mahalapye. Of the six consultant positions for these offices, one is vacant and another is occupied by someone in the process of retiring, making it vacant for all practical purposes as well. In addition, there is a trade officer who serves as an administrative aide to Mr. Dube. Her verifies their work to some extent, but has no training in business management.

Discussions with the MCI Senior Planning Officer, Mr. J. Schwach, and the Permanent Commercial Officer (second to the head of the commercial division), Mrs. B. Selabe, indicated that for 1980 the BAS had been allocated four trade officers who, after undergoing a business management training course from PFP, would

1. Ibid.

begin to function as consultants. Plans for the BAS call for the eventual hiring of an Assistant Commercial Officer to the BAS senior, an officer in charge of broadcasting and public education, and a Higher Trade Officer who would serve as a qualified supervisor of field activities. The key word is "eventual", however, because in order to staff these positions a ponderous administrative and political process must take place that recognizes BAS's need for these positions and allocates the manpower to fill them. To date none of these important mid-management positions have even been formally requested by the MCI to be staffed, let alone being acknowledged by the Manpower Estimates Board and filled.

Lack of staff causes the MCI to add further duties to enthusiastic officers such as Mr. Dube. It is not unusual for him to be assigned tasks or public appearances in addition to his principal BAS duties because no one else is available. Such usage only complicates an already serious personnel problem.

In short, while PFP has a flexible situation with regard to procuring inputs and converting them into parts of an operational system, lack of inputs, particularly manpower, is a definite problem for the BAS. This is a key constraint to one of the few programs in the entire Government of Botswana that promotes commercial development. Lack of qualified middle-management particularly jeopardizes the quality of what is being done.

A final aspect of input questions is the nature and quality of manpower available to PFP and the BAS to become extension workers. A high level of education for such candidates is to have finished high-school, and it is not unusual for an applicant to have left school at a junior high-school level. Prospective candidates usually have no direct business education or working experience in enterprise management. In addition, there is a tendency (more pronounced among men than women) to change jobs frequently, without any conception of staying with a position for 2 - 3 years in order to develop occupational expertise. The shortage of skilled and responsible manpower also creates a situation whereby those who demonstrate competence are "poached away" by other employers.

What the above situation means is that PFP and the BAS not only have to procure candidates and train them, but also develop systems to cope with a high and unstable rate of personnel turnover. Discussions with several program administrators indicated that this was a universal constraint and that the best way to handle it was to first set up good management systems and gradually hire people rather than expand numbers rapidly.

17. Outputs

There are several kinds of intermediate outputs that contribute to the quality of the final output - which is to upgrade the management and commercial development of small enterprises. Both these intermediate and final outputs will be appraised in terms of the progress being made toward project benchmarks, and see whether their substance is developmentally appropriate.

The OPG benchmarks assumed that a consultant would be adequately trained in 4 - 6 weeks and a client in six months. Twenty-five to twenty-nine consultants would be placed in the field; 975 clients would be trained. In terms of impact, a complex system of reporting was set up for grading whether the client was improving and/or had achieved proficiency in several business management skills. If so, the consultant would record an "I" (for improvement) in the monthly progress reports submitted to headquarters. Original thoughts were that counting the number of "I"'s reported every month would be an efficient way to figure cost/benefit ratios and keep track of the impact the extension service was making. Other benchmarks for impact were a 28% increase in average net client profit and a 25% increase in average net profit reinvestment, as well as the creation of 131 new jobs.

The OPG benchmarks have proven optimistic for the context of Botswana and for what the extension service can perform with a sufficient level of quality. The initial training courses have been increased from 4 to 10 weeks, and even with this increase they are turning out consultants who function with rudimentary business management training skills and who barely grasp the point of the program: which is to show businessmen how they can improve their enterprise by making more efficient and creative use of the resources they possess. As noted, almost none of the consultants came from backgrounds with business or commercial education; and problem-solving concepts like "management" and "efficient" are not inherently familiar to them.

It would be possible to field ill-trained Batswana consultants to meet the benchmarks, but the real impact would be nil. Or implementation could be sped-up by importing skilled expatriates or using foreign volunteers. But then when the foreign personnel went away, the program would go with them. This evaluator sees localization as one of the positive outputs of the PFP program, but localization has its price in terms of cost-intensive initial training, inservice training and field supervision requirements.

The OPG benchmarks, especially the one of 975 clients trained, suggests that there are a large number of businessmen who would be denied services by holding the program at a smaller scope to insure that the extension officers are competently trained. This does not seem to be the case. In the entire country there are only approximately 1100 commercial licenses that have been issued to African entrepreneurs. ^{4./} Also, a Motswana business person often has multiple licenses. If the enterprise extension service graduates 150 Batswana owners during the grant period (in addition to the much larger number of employees), that will be a significant accomplishment. (Further discussion in Section 18).

Emphasis is placed on the word "owner" because the majority of clients receiving training today are not proprietors of the business, but rather a relative or clerk who works there. This is partly a cultural phenomenon whereby those wealthy enough to own a small trade or bottle store also have other occupations of higher status (cattle, lands, civil service) that they tend to. It would be a mistake to use this cultural factor as an excuse for the small enterprise extension service not to be working with the intended target group. Both PFP and the BAS need to do more to educate owners about the availability of this service; and about the general concept of using management to improve one's business. The BAS is already

^{4./} The largest and most dynamic businesses in Botswana are usually owned and operated by expatriates. The largest traditional kinds of enterprises (general trade stores), wholesale enterprises in food and household goods) are usually owned and operated by business persons of Asian origin.

moving in this direction by having its commercial officer and his assistant make speeches to groups of businessmen about the service. The BAS plans in the future to have an education officer who would use radio and other mass media techniques to educate the public. Given BAS's difficulties with obtaining personnel, it probably will be some time before this position is staffed, and filling it should be a lesser priority to obtaining a field supervisor. Even without this public education specialist, PFP and the BAS can do more to advertise their service and cultivate a demand for it among owners. Talks to proprietors; a discussion or slide-show of how businessmen elsewhere approached and solved problems; posters or handbills; pens or pencils with a PFP/BAS advertisement printed on the side - these and others may be methods of identifying the service and educating the target group to use it.

Getting clients with real decision-making power to train with extension officers is important in order to have an impact on enterprise management. In interviews with clients (several summaries are reproduced in Appendix 'E') it was apparent that where the owner successfully received training, results showed in the improved appearance of the store; improved display of stock; increased profitability; and increased reinvestment. Where the daughter of the owner or a clerk was being trained, the stock may have been placed more neatly on the shelf and perhaps there was a slight increase in sales because of this. But the practice continued whereby the owner or his family would come in, take stock or cash from the till, and thereby consume both the enterprise's profits and its operating capital. In this respect the business not only failed to yield anything for the proprietor, but was absolutely static in terms of providing the community additional goods or service.

To produce a quality output it is necessary to have a vision of managing resources more effectively in order to create a more dynamic enterprise - one that offers a greater, better variety of goods and services to the public at lower price per unit. Such a vision which seeks to promote a new breed of African entrepreneur - one who is serious about his business, efficient, creative, and independent of

subsidies - needs to be something that the PFP/BAS consultants and higher government officials dealing with commerce are able to understand. Right now, however, this vision of what an enterprise development service seeks to create is cloudy at best, and may even be missing altogether. As noted earlier, the bulk of the MCI Commercial Division's domestic activity consists of the most traditional functions a bureaucracy administers: enforcing legislation. Even in the BAS, the attitude is for the extension officer to do everything the entrepreneur needs. The chief constraint is not seen as the entrepreneur's lack of knowledge about how to manage his resources, but rather the lack of capital. So one of the duties of BAS extension officers is to do loan assessment analyses for the National Development Bank.

Allowing BAS officers to function as NDB loan analysts may be counter-productive to what the program is attempting to achieve. BAS officers have received only the most rudimentary education in business management and very little of this on the subject of loan analysis. If an entrepreneur has problems, the reason for the extension service is to teach him better management practices he can use to solve them. Should financial analysis show that the entrepreneur needs credit above and beyond correcting certain business practices, what are the options for obtaining it? Can he get credit at no cost from the supplier? Can he get credit at low cost with, say over-draft protection from a commercial bank? The final alternative is a NDB loan that takes months to process, whose cost has to be paid for one way or another, and which may not solve the root of the entrepreneur's problem in the first place. Giving BAS officers' responsibility for NDB loan analysis may not only be adverse for the client, but counter-productive to the officer as well. It takes away from the time he or she has to perform training, and it could be psychologically disturbing to the extension officer being asked to perform duties he is not responsibly trained for.

The best way to have quality output is not to do several things poorly, but to have a systematic approach to limited objectives (with organized relationships among inputs, processes and outputs) and to do it well. It is true that performing one or two

functions will not solve all the problems of a businessman. But there is a higher possibility of success if a program first sets up a workable program to do one or two things well, and then diversified from that core of competence.

Another factor that can improve output is to have better systems to monitor what is happening with the client and the enterprise than those which exist at present. Both PFP and the BAS are currently using a cumbersome monitoring system which requires the consultant to list the work he is doing with the client and the progress the client is making in learning business management skills. Because there are four different reports, cross verification of them can reveal when a consultant is inconsistent in his reporting and in fact may not be doing what is claimed. But that is all it can do. The current reporting system is not reliable methodologically because each consultant views "improvement" in different terms. It also does not give the kind of feedback needed on how appropriate the consultant, training, curriculum materials, etc. are. Both PFP and the BAS have personnel that go out periodically and talk to clients about impact. This analysis is not done in any systematic way, however, so that when the person doing such verification changes, all consistency is lost. It is also not formally recorded so that even if the extension system is producing successful results, there is no way to document that or measure in any way the degree of results.

For the sake of insuring a reasonable standard of productivity among the workers and impact vis-a-vis enterprises, it is important to have a more workable system for impact evaluation. It is also important for all involved in the program - fieldworkers and managers - to understand that with an educational service, the only way to insure quality is to do evaluation, to look at what is being produced. More often than not, workers are not accustomed to evaluation in Botswana or, if anything, are used to it being performed in the most perfunctory sense. Because they are not well prepared for it culturally, they either regard it as someone snooping over their shoulder (and perhaps impugning their honor) or they feel a compulsion for everything to

appear "perfect". For both PFP and BAS personnel the monitoring and evaluation functions that are going on have to be depersonalized. The extension officers need to be helped to understand that the monitoring is just as much an important part of the program as the consultants themselves, and that without it the whole system would function much more poorly.

In summary, the evaluation finds that given the nature of the constraints, reasonable progress is being made in setting up systems for consultant training, consultant supervision, and client/impact monitoring. Even for PFP these systems are fledgling, however, and for BAS even more so. It is noteworthy that Batswana are being trained to manage and operate the extension service - that is the kind of "output" that will best serve Botswana in the long run. Nonetheless, the quality of outputs remains the most serious question about the program at this point. Although this evaluation has no authority to compel any party (not PFP, BAS, higher officers of the MCI Commercial Division) to take any actions against their will, it does nonetheless recommend the following three policies to increase the quality of outputs:

1. Consultants should be given adequate training for the duties they are assigned, plus their tasks should be sufficiently well-defined and focussed in nature that responsibilities can be handled competently. The fallacy that "consultants should be prepared to respond to whatever a businessman asks them to do" not only fails to create any responsibility for self-reliance among the clients, but runs the risk of performance breakdown among the extension officers and subsequent program failure.
2. PFP/BAS should regularly assess social impact. (How are clients applying their learning to improving enterprise? What benefits does this have for the community? How can community benefits be increased?) Results should be fed back to improve individual performance and systems appropriateness.
3. PFP and BAS need more effective public outreach to owners of Batswana enterprises.

18. Purpose

The approved purpose of this project is as follows :-

In collaboration with the Ministry of Commerce & Industry, BDC, and other Botswana institutions, to demonstrate with the PFP pilot program an effective small enterprise extension service for delivery of appropriate management training to small-scale business persons; and to train, implement and provide monitoring systems for the Ministry of Commerce project.

With its pilot program, PFP is today creating a small enterprise extension service serving the southern half of Botswana, and is training consultants for the MCI Business Advisory Service that operates offices in the northern half of the country. The merger of PFP and the BAS into a single small enterprise extension service for the entire country is scheduled to take place in September, 1981. PFP is completely willing to turn its complete extension service operations over to the MCI and remain in nothing more than a training/evaluation role at this time. The September, 1981 merger can occur successfully if the time remaining is spent removing several discrepancies between PFP and the BAS on the following issues:-

1. Field supervision of consultants and monitoring social impact being made. PFP has a westernized system of management that puts pressure of consultants to conduct themselves well and produce educational results in the field. BAS not only has a problem obtaining personnel, but does not have a policy of close supervision and monitoring.
2. PFP and BAS extension officers have different duties. PFP consultants are focussed on management training. BAS officers train clients; handle loan analyses for the National Development Bank; and form organizations of business persons. The duties of the BAS trade officers are ill-defined and change with time. Also, there is a large pay differential between PFP and BAS consultants; PFP field workers earn double the monthly wages of the BAS advisors. How should this matter be settled to prevent either the PFP or the BAS personnel from quitting at time of merger?
3. Both PFP and BAS consultants will require considerably more in-service training to upgrade their skills.

The benchmarks listed in the project proposal to indicate the progress in achieving its purpose are not practical. For example, one benchmark is to serve 975 clients by October 1981. What is important for this program is not to serve clients, but to train OWNER-clients. The OPG sets up an artificial system for measuring "client improvements" such that the field consultants are too much at liberty under the present system to judge and report "improvements" as they wish. A much better benchmark, both for evaluation purposes and for the good of the program, is to do periodic evaluation survey of clients and program graduates which the consultants themselves do not enumerate. The OPG benchmark of six months training per client has not proven to be realistic in actual operation. Finally, the most important benchmark that the PFP/BAS programs will be judged by - the number of functioning offices and consultants - is not even mentioned in the OPG.

Because the OPG indicators of program achievement require elaborate record keeping and ponderous computations to produce results of questionable relevance, but because it is important to have realistic program targets to aim for, this evaluator is proposing a more appropriate set of benchmark indicators which, if they are accomplished by the end of the grant in 1981, would represent significant progress.

1. PFP and the BAS have 20 consultants trained and functioning in the field by September, 1981. 5./
2. PFP and BAS have trained and graduated at least 150 owner-clients, and that the ratio of owner-clients trained to total clients trained be no higher than 1:4. A genuine sign of achievement for this program will be to reduce that ratio to 1:3.5, 1:3, etc. 5./

5./ Due to staff turnover, it is necessary to train two candidates for every one who stays in the field. It is also possible for PFP to train personnel other than those of the PFP/BAS extension service. Thus total numbers of personnel trained in business management may exceed 50.

5./ Recommending that the ratio of owners to employees be reduced among PFP/BAS clients should not be taken as any indication that it is wasteful to train employees. On the contrary, some of them do have genuine management responsibilities, and for others this training may enable them to start their owner enterprise.

3. By September, 1980, PFP will have done an evaluation survey of 25 clients and 20 graduates. BAS will have done an evaluation survey of 25 clients.

By September 1981, PFP will have done an evaluation survey of 25 current clients and 50 graduates. The BAS will have done an evaluation of 25 clients and 25 graduates.

In interpreting these benchmarks, the evaluator recommends that less emphasis be placed on numbers (numbers of clients, average net profit, % of net profit reinvested) and more credit be given to systems that can effectively supervise consultants and monitor impact.

19. Program Goals and Subgoals

The goals of this program are :

1. To establish small enterprise extension capability; extend business training and services to rural areas; and enhance business potential in Botswana with appropriate management systems.
2. To strengthen collaborative efforts in the area of small enterprise development by working with existing structures and programs.

PFP operations so far have concentrated on establishing a small enterprise extension capacity in co-operation with the Ministry of Commerce and Industry. This service is at mid-point in its institutional development and the possibilities are reasonably good that by 1981 the goal of giving Botswana a genuine capability in this area will be met. PFP is aware, however, that Botswana still has many other needs in terms of enterprise development that will not be met by this extension service. So PFP has come to a phase in its own program development where it is interested in taking concrete steps to meet some of the goals outlined above in addition to implementing the small enterprise extension service.

For FY 1980 PFP will continue to concentrate the majority of its efforts on developing a small enterprise extension service. During the coming year, however, approximately 20% of its resources and activities will be focussed on how it should modify and expand its program to meet these larger goals. Rather than specify in a premature fashion programs or activities that it will undertake,

PFP is going to use the method that has proven most successful for it so far: an experimental period in which it will analyse what are the most developmentally appropriate and institutionally feasible things it can do.

PFP already has certain ideas about new activities and new (or, more developed) institutional linkages that will enable it to better meet program goals. These ideas are at a fledgling stage, however, (some of them developed during the course of this evaluation) and the goal during the spring and summer of 1980 will be to do more concrete feasibility analysis, possibly leading to the planning of pilot activities. For now, PFP can perhaps conceive of itself applying its special kinds of expertise to the following areas:

1. Business Start-Up

One of the things that constrains commercial development right now, especially among Botswana entrepreneurs, for anything other than the most traditional types of businesses (e.g. a trading store or a bottle store), is the lack of a service to assist aspiring entrepreneurs and direct them to growth areas. Botswana has a rapidly growing economy and large demand for non-traditional enterprises - particularly those that offer services. It is not simply the lack of imagination that constrains commercial development however. Institutional infrastructure to do research on bright economic possibilities, to help people solve problems involved in starting a new business, etc. do not exist. This lack of institutional infrastructure hurts more than anyone, the micro-entrepreneur, the person with limited capital who wants to enter the commercial sector.

PFP feels that the analysis and promotion and support of activities in this area will enhance the distributional aspects of its program and create more dynamic kinds of enterprises that will better serve consumer needs.

2. Linkages with Institutions Other than the MCI and Can Benefit from PFP Skills

Other than the Institute for Development Management (which primarily educates government administrators), PFP is the only institution in Botswana specializing in management training for business activities. There are a number of other agencies with economic projects whose personnel could conceivably benefit from the small enterprise management training that PFP gives. For example, the Botswana Development Corporation has a "Sub-Commercial Projects Division" of enterprises that are still on the road to becoming economically viable. The Botswana Enterprise Development Unit (BEDU) will be moving from industrial estates to "industrial" (small producer) extension. BEDU is primarily equipped to extend technical assistance. Possibilities exist for PFP to train BEDU extension officers in how to teach business management to these small producers as well.

3. PFP Linkages with the Ministry of Commerce & Industry after the PFP/BAS Merger in 1981

The clear goal PFP has for the small enterprise extension service is localization - i.e. after September 1981, it will be operated by the MCI. Nonetheless PFP recognizes it may have to contribute special kinds of capacities to the BAS on an interim basis, especially, in regard to training. What should the post-1981 relationship between PFP and BAS be? What other kinds of collaboration between PFP and MCI might better promote small enterprise development?

One specific question PFP is interested in exploring with the Ministry of Commerce & Industry and other parties is the number of "extension services" that are operating or being proposed to operate in the area of commercial/industrial development. In addition to PFP and the BAS, there will shortly be a corps of rural industrial officers and the BEDU industrial extension service in operation. Who is going to co-ordinate all these extension services? What is the best way to share the learning about setting up and operating enterprise extension services?

4. PFP and Rural Sector Enterprise Development

Given the National planning emphasis on productive activities in the rural sector, PFP is interested in how it might transfer its management training expertise to the institutions that are working with the development of off-farm rural productive activities. One possibility would be to explore further linkages with the District and Village Level Production Sub-Committees, especially as regards the training of their personnel. Another potential area would be to discuss collaboration possibilities between PFP and organizations such as the Kwenang Rural Development Association, Pelegano Village Industries, the Rural Industries Innovation Center, and/or co-operative thrift and management societies. The idea here would not be for PFP to manage the activities of these groups, but perhaps to extend business management training to their personnel.

The way PFP proposes to diversify is to do one or two planning studies in the first half of 1980 which examine the feasibility of the above ideas in greater depth and make specific programming recommendations to PFP. These recommendations should lead to the setting up of a pilot program of new activities by late 1980. These new activities would be developed so that at the point of PFP/BAS merger in September, 1981 PFP has well-developed program ideas of what is appropriate for its future. These feasibility studies are coming at an appropriate time, particularly since the Presidential Cabinet has recently declared increased productivity, employment creation and commercial development major priority areas of the National Plan. The studies will provide the opportunity for PFP to discuss creative ideas with major Botswana institutional actors, to promote co-ordination among them, and to gather some empirical data in relation to these new ideas.

20. Beneficiaries

The direct beneficiaries of this program are the clients who receive business management training and the enterprises where they are employed. Approximately 225 clients and enterprises have been affected this past year. In addition, the program has trained 17

consultants, 14 of which are currently at work in related capacities to the training. This is a program, however, where indirect beneficiaries are much more important than direct beneficiaries. What matters is not so much the numbers of consultants and clients trained, but that this training improve the management of Batswana enterprises so that more and better goods and services are produced for the community at lower cost. This is why evaluation of the quality of outputs and social impact is stressed.

In fairness to the program, client interviews conducted in conjunction with this evaluation with six PFP owner-clients showed that there was a positive impact on the quality of their businesses. This was evident in improved appearance of the shops, better bookkeeping and visible reinvestment of profits in a wider variety of goods and better physical plant (more shelves, repaired counters, a new cooler, expanded retail area, etc.). Customer service seemed better as well. One owner said that he spent more time in his store and paid more attention to the business as a result of the PFP training. Another lengthened store hours. A third acknowledged that her manner with customers was improved. These observations are not systematic evidence of impact, nor any indication of the dimension of benefits and the casual factors associated with it. Nonetheless, evidence was demonstrated that the program can produce a positive effect that has distributional consequences for the wider community.

What is needed is a monitoring/evaluation system that will better assess enterprise development and the larger socio-economic ramifications of it. Good businessmen are not "exploiters of the community" as is the cultural myth that sometimes penetrates even government circles. But until empirical evidence is produced about the social benefits of enterprise development, it will be difficult to defuse this myth.

22. Lessons Learned

Setting up a small enterprise extension service in Botswana is similar to experiences with agricultural or community development.

services elsewhere. Many extension systems falter because they have fieldworkers who are poorly trained, unsupervised, with too many duties, and without anyone who checks to see the appropriateness of what is being done and relates this back to improved procedures. It takes time to establish good systems in these areas. Extension officers may see and accept the need for training; but it is a more difficult job to get them used to the system's need to supervise and co-ordinate their activities, as well as monitor outputs. Establishing these systems and defining duties clearly amounts to setting up the terms for worker productivity: the extension officer must know what he is supposed to do that he has the capacity to do it, and that he realizes that his work will be verified. This is the minimum basis for an extension service - not to put a lot of workers into the field, but to set up good systems for producing an output, and to have extension officers who feel responsible for producing results.

At early programming stages, several factors can either enhance or weaken the productivity of the extension service. Debilitating factors are politicians who want the extension service to immediately be an all-purpose problem-solving agency. Other debilitators are "best scenario" planners who make the most optimistic estimates of what can happen rather than doing realistic analyses of what is likely to happen and establishing benchmark indicators, input estimates, etc. in view of the more probable events.

A factor that can enhance productivity is clearly defined and limited goals, at least in the early stages of establishing the service. An enterprise development service can conceivably do many things. It can improve existing businesses; create employment; start new varieties of enterprises; promote more balanced regional growth or affect income distribution. The extension service has a greater chance of success if it chooses a goal in the beginning and then establishes a few focussed sub-goals and indicators to measure progress.

Monitoring and evaluation of most agricultural extension services is done in terms of numbers - numbers of visits, of loans or

loan repayments, of innovations adopted, of production. With development it is more difficult for such kinds of numbers to meaningfully reflect the impact the extension service is having on the business per se or on the wider community.

One indicator that is universally accepted to measure commercial progress in the western world is profitability. A difficulty with this indicator is that most small Botswana entrepreneurs don't have any idea of what kind of profit they are making (and, in fact, most do not separate the finances of their business from other income earning activities). So instead of profitability being available as an indicator of progress, it is indeed a major accomplishment to move the entrepreneur to a level where any figures are produced on this subject at all (leaving aside the issue of their genuine reliability).

It is not surprising, then, that "impact" and "progress" must be measured in terms of simple qualitative indicators and field observation reports. Two things are important. First there has to be "baseline data", which is nothing more sophisticated than a simple checklist about the appearance and state of the business, and the level of business management skills when the client first starts working with the extension service. The second requirement is that when field monitoring and client observation occurs, that it also be done with a simple checklist. In this way there is not only documentation about impact, but the same records exist for each client so that they can be compared.

Because the PFP enterprise extension service was a foreign aid project, there was attention right from the start to monitor output. The attention was commendable, but the actual monitoring system turned out to yield few useful results. This is because the monitoring system was brought intact from Kenya where they enjoyed more highly trained extension personnel and a higher level of commercial development among the clients. The Kenya reporting system was not adjusted

to Botswana reality. It was too sophisticated, and therefore gave too little useful feedback to the Botswana program. The lesson learned is that it would have been more productive to start with a few very simple checklists that were appropriate for the local program context.

23. Special Comments

The following appendices are attached to this report :-

APPENDIX

- A. Summary of First Year Expenditure.
- B. Organization Structure.
- C. Evaluation Participants.
- D. Entrepreneur Survey Extracts.
- E. Field Notes of Client Interviews.

APPENDIX 'A'

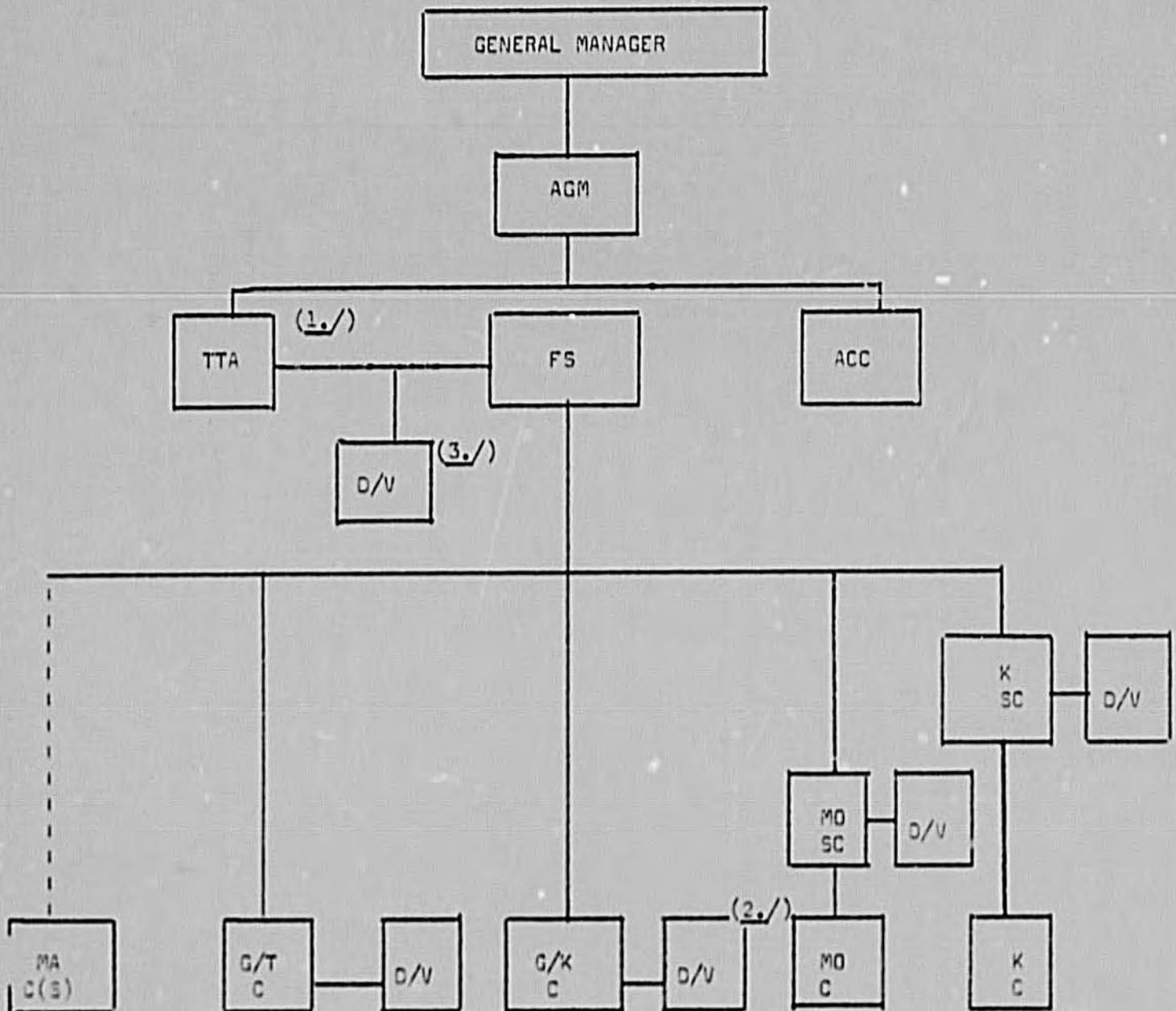
SUMMARY OF FIRST YEAR PFP EXPENDITURE ^(1./)
(by contract line item) 10.1.78-9.03.79.

		<u>U.S. DOLLARS</u>		^(2./)
		Budget	Expenditure	
1.	Personnel	47,853	47,917	
2.	Training	2,850	1,801	
3.	Administration/Office	17,341	10,136	
4.	Travel/Vehicles	20,564	16,782	
5.	Evaluation	500	-	
6.	Contingencies	13,788	592	
7.	US operations	9,100	9,100	
8.	US Administration	26,879	26,879	
TOTAL		<u>136,875</u>	<u>113,206</u>	

1./ These figures are chargeable to USAID. They do not include services and support donated by the Botswana Development Corporation to PFP/Botswana of a commercial value of 1,000 pula per month.

2./ First three quarters actual, fourth quarter estimated.

PFP BOTSWANA
 ORGANIZATIONAL STRUCTURE
 NOVEMBER 1979



AGM - Assistant General Manager
 TTA - Technical Training Advisor
 FS - Field Supervisors
 ACC - Accountant (Vacant)
 SC - Senior Consultant
 C - Consultant
 C(S) - Consultant (seconded to MD & I)
 D/V - Driver/Vehicle

MO - Mochudi
 K - Kanye
 G/T - Gaborone/Tlokueng
 GK - Gaborone/Kuereng
 MA - Mafalepe

- 1./ To be staffed January, 1980. Peace Corps Volunteer
- 2./ No vehicle or driver
- 3./ No driver

APPENDIX 'C'

The following persons consented to be interviewed during the course of this evaluation and are thanked very much for their co-operation and insights.

- Mr. Walter Dube, Commercial Officer in charge of the Business Advisory Service, Ministry of Commerce and Industry.
- Mr. E.B. Egner, Rural Development Officer of Barclay's Bank of Botswana, Member of the Board of Directors, PFP/Botswana.
- Mr. John Grierson, General Manager, PFP/Botswana.
- Mr. Paul Hinchey, Director of the Botswana Development Corporation and Member of the Board of Directors of PFP/Botswana.
- Mr. John Hunter, Staff Member of the Institute for Development Management of Botswana, Lesotho and Swaziland, and Member of the Board of Directors, PFP/Botswana.
- Mr. Maclean Letshwiti, Field Supervisor, PFP/Botswana.
- Mr. Modiri Mbaakanye, Director of Botswana Enterprises Development Unit, and Member of the Board of Directors, PFP/Botswana.
- Mr. K.B. Moloi, Assistant General Manager, PFP/Botswana.
- Mr. Chris Ngununu, Senior PFP Consultant, Kanye Office.
- Mr. Mac O'Dell, Rural Sociologist, Ministry of Agriculture.
- Mr. John Pielmeier, Program and Evaluation Officer, USAID/Botswana.
- Mr. Joachim Schwach, Senior Planning Officer, Ministry of Commerce and Industry.
- Mr. Ozzie Schmidt, Technical Officer, Rural Industries Innovation Center, Kanye.
- Mrs. Beauty Selabe, Permanent Commercial Officer, Ministry of Commerce and Industry.
- Mr. James Stanford, Financial Controller, USAID/Botswana.

Special thanks are due to Mrs. Sheila Letanwiti who assisted Cheryl Lassen in the field.

APPENDIX 'D'

Characteristics and Attitudes of Batswana Entrepreneurs

The following questions and responses are from a survey of Batswana entrepreneurs in the Southern District of Botswana (Kanye and the minor villages of Moshupa, Ranaka, Ntlhantlhe and Letlhakane). Forty-four business persons (out of a total population of approximately 65) were selected at random for interviewing. The divisions were approximately even between PFP clients and non-clients; and urban (Kanye) entrepreneurs versus those who resided in minor villages. Three quarters of the respondents were the actual owners of the businesses, and one quarter were employees. What follows is a listing of some of the questions asked and the tabulated responses, without further quantitative or qualitative analysis. The number totals have been converted into "percentage of survey population" for easier understanding, so that if 11 respondents (out of a population of 44) answered yes to a question, the YES response is listed as 25%.

<u>CHARACTERISTICS</u>	<u>No</u>	<u>Yes</u>	<u>No Opinion</u>
1. Do you have any education in commercial subjects?	79	21	
2. Do you keep any records of your sales and expenses?	68	32	
3. Do you have any work experience in business?	75	25	
 <u>ATTITUDES</u>			
1. Are you convinced that business as an occupation is your best choice?	27	68	5
2. Do you feel that business is a prestigious occupation?	61	32	
3. Do you plan to incorporate your children in your business or to hand over your business to them?	39	61	

APPENDIX 1E1

Field Notes of Interviews with PFP Clients about the
Effect PFP Training has Had on Their Business

Interview 1. Mrs. E.G. Aphiri, Arrow Restaurant/General Dealer,
Mochudi. (Mrs. Aphiri is the proprietor)

The client reported that the most important things she learned from her PFP course were how to keep track of stock, and how to set her prices in accordance with real costs and government price controls. She keeps a cash book and other basic records and produces periodic profit/loss statements. She reports that she knows when and how to order and she "knows what moves". Asked to estimate profitability, the client could not give that information; but she estimated that her sales before the course were about 150 pula a day, and her sales now about 225. The client said that she used some of her profits to restructure the store by adding more counter space, buying a cooling refrigerator, and purchasing more stock. She added, however, that she was currently using her earnings mainly to build a house. The client uses commercial banking facilities.

In observations after the interview, the PFP field supervisor who monitored her case noted that he had seen steady improvement in the enterprise. There was more stock, and it was better arranged. The counters, which before were small, shabby and broken had been replaced. The Aphiri family owns two businesses. Before, husband and wife moved interchangeably between the two, without any clear delegation of management responsibility. Now Mrs. Aphiri has clearly emerged as the decision-maker of the Arrow Restaurant and Store.

Interview 2. Lempu Restaurant. B.R. Chibana, Proprietor.
(The interview was with Mr. Chibana's daughter
who normally tends the store.)

C. Lassen: "Do you receive training for PFP?"

Client : "Yes."

C. Lassen: "Do you ever use your PFP books or training materials
when the consultant is not with you?"

Client : "No"

C. Lassen: "Why?"

Client : "I'm lazy".

APPENDIX 'E'

Field Notes of Interviews with PFP Clients

Interview 2 - (Contd.)

C. Lassen: "Do you keep a cash book?"
Client : "Yes"
C. Lassen: "Do you keep a profit/loss statement?"
Client : "Yes"
C. Lassen: "Do your brothers and sisters come in and take money from the cash register when they want?"
Client : "Yes"
C. Lassen: "What do you do about that?"
Client : Shrugs shoulders.

Interview 3. Letsama-le-thata Restaurant, Mrs. Pilane, Proprietor, Mochudi.

(Mrs. Pilane is the PFP client but she was not at the store at the time of the visit, so the clerk was interviewed instead)

The Employee indicated that although PFP was training Mrs. Pilane, the proprietor had not trained the employee in cash/book analysis. When the employee was asked if she kept any records, she replied that she did, in fact, writes down everything she sold (commodity, size, number sold, total price). She said that the proprietor often tested the employees by sending a small child to the store who said, "The owner wants you to give me this." The owner then comes to the store later to see if what she taken out of the store was indeed recorded in the Debtors Record. She tells the employees, "If you let me get away without paying or recording my debt today, tomorrow you'll let someone else do the same thing".

6330212

PROJECT NUMBER:	PROCESS	ACTION:	DATE:	INITIALS:
6330215				
	CATALOGUE	✓	1/29/80	DF
	ABSTRACT	-		
	FICHE	-		
COMMENTS:				
17 JAN REED				