

**A.I.D. EVALUATION SUMMARY - PART I**

PD-ABC-638  
83999

1. BEFORE FILING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.  
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

**IDENTIFICATION DATA**

<b>A. Reporting A.I.D. Unit:</b> Mission or AID/W Office (ES# _____) <u>RDO/C</u>		<b>B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?</b> Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY <u>94</u> Q <u>   </u>		<b>C. Evaluation Timing</b> Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>	
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**D. Activity or Activities Evaluated** (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)

Project No.	Project / Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
538-0133	Small Enterprise Assistance - International Executive Service Corps (IESC) Grant	IESC Proposal 91	2/93	\$600	\$600

**ACTIONS**

E. Action Decisions Approved By Mission or AID/W Office Director		Name of Officer Responsible for Action	Date Action to be Completed
Action(s) Required			
- IESC agree to concentrate on delivering program services to small and medium enterprises.		P. Medford	6.1.93
- IESC agree to continue working with local private sector institutions to ensure quality needs assessments and adequate follow-up.		P. Medford	6.1.93

(Attach extra sheet if necessary)

**APPROVALS**

F. Date Of Mission Or AID/W Office Review Of Evaluation: \_\_\_\_\_ (Month) \_\_\_\_\_ (Day) \_\_\_\_\_ (Year)

**G. Approvals of Evaluation Summary And Action Decisions:**

	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director
Name (Typed)	Peter Medford	Jerry Hargitt	Michael Taylor	Barry Burnett
Signature	<i>Peter Medford</i>	<i>Jerry Hargitt</i>	<i>Michael Taylor</i>	<i>Barry Burnett</i>
Date				Acting Director

**ABSTRACT**

H. Evaluation Abstract (Do not exceed the space provided)

**EVALUATION ABSTRACT**

The grant to IESC under the Small Enterprise Assistance project finances technical assistance to small, medium and micro enterprises. An interim evaluation was performed to review accomplishments against targets, assess the effectiveness of the interventions and provide a reference for consideration of an additional year of funding. The evaluator gathered data by reviewing documentation on IESC activities including correspondence with USAID, clients records, financial registers and monitoring and evaluation records. The evaluator also interviewed USAID and IESC personnel and beneficiaries in four Eastern Caribbean States.

Major findings and conclusions are:

- The program's implementation rate was commendable and IESC complied reasonably well with established beneficiary criteria. However, some interventions were too short and/or expensive.
- Medium sized clients benefitted most from the Volunteer Executive (VE) assistance as VE skills were reasonably well matched to their needs. The experience of the micro-enterprise clients was variable as some of the VEs seemed to have lost touch with the hands-on aspect of their work.
- IESC's marketing of the program services as well as identification of clients was effective.
- The impact of the assistance in terms of client productivity and profitability was more noticeable among medium-sized companies than the micros.
- The American Business Linkage Enterprise (ABLE) service was inexpensive and good value for money, but was little used due to inadequate promotion.
- The lack of clearly articulated needs assessments compromised successful TA implementation at the micro-enterprise level.

**COSTS**

**I. Evaluation Costs**

1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
<b>2. Mission/Office Professional Staff</b> Person-Days (Estimate) _____		<b>3. Borrower/Grantee Professional</b> Staff Person-Days (Estimate) _____		

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## A.I.D. EVALUATION SUMMARY - PART II

### SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office:

RDO/C

Date This Summary Prepared:

April 26, 1993

Title And Date Of Full Evaluation Report:

Evaluation of International Executive Services Corp Grant Activities

### EVALUATION SUMMARY

(1) Purpose of evaluation and methodology used: The purpose of the evaluation was to review the accomplishments of IESC over the first eighteen months against the targets for the respective program elements; assess the effectiveness of VE interventions; identify factors affecting program delivery and examine the cost-per-project against IESC's projections.

The consultant accomplished his task through interviews with officials of USAID, IESC and other private sector support institutions as well as with clients and program facilitators in four Eastern Caribbean countries. He also used a questionnaire to solicit and classify client responses and reviewed project files and financial records.

(2) Purpose of activity evaluated: The goal of the program is to increase employment, income, productivity and economic growth of local enterprises through analyses of clients' needs, followed by training and/or technical assistance.

(3) Findings and conclusions: The evaluator's overall conclusion was that the IESC program produced mixed results. On the positive side, medium-sized clients benefitted most from the assistance as VE skills were reasonably well matched to those clients' needs. Also, most VEs had good communication skills and were enthusiastic about their assignments. IESC's 'piggy-back' strategy allowed the program to deliver regular projects at reasonable costs and the program's implementation rate was commendable having completed 56 projects during the 18 month period from March 1991 to August 1992.

On the other hand, the program encountered some difficulties in delivering technical assistance to micro-enterprise clients. It seemed that a number of VEs who were on micro-enterprise assignments had, after 20-30 years, lost touch with the hands-on aspect of their work. Also, IESC fell short of its planned implementation rate and some of the interventions were either too short or expensive.

The evaluator reported the following specific findings and conclusions:

- IESC's marketing of VE projects is reasonably effective and its client identification and selection process well-suited to the Eastern Caribbean.
- IESC fell short of its TA targets because of limited market size and excess supply of firm-level programs; less than adequate organization of special programs; and over optimism in setting the targets.
- IESC compliance with the beneficiary criteria set out in the Grant Agreement was within reasonable limits. Only two of 27 clients interviewed were, by strict application of the guidelines, not eligible for assistance. However, the two firms which are foreign-owned have been registered locally for more than 10 years.

## S U M M A R Y (Continued)

- VE interventions, in terms of client productivity and profitability, had a noticeable impact on medium-sized companies and a moderate effect on small firms. Micro-clients were less certain about impact. However, some micro clients had introduced new products and adopted new techniques. Most VE assignments were too short to draw strong correlations between assistance and performance.
- Medium-sized clients were satisfied with the duration of their interventions. However, almost all of the small and micro clients claimed that the VE's time should have been longer. Likewise, some VEs would have preferred to have had more time to impart in-depth skills and knowledge, especially to micro-enterprise clients.
- Regular projects were reasonably priced while ABLE services were inexpensive and provided good value for money. The special programs - particularly the training interventions - were heavily subsidized. They were expensive to organize and implement and were not cost-effective when compared with alternative ways in which similar assistance could have been delivered to the same clients.
- The lack of clearly articulated needs assessments compromised successful TA implementation at the micro-enterprise level. More attention should have been paid to each client needs, his/her skills level, and equipment and techniques used. Such information would have led to more relevant descriptions of the type of TA required by micro clients.

### (4) Principal Recommendations:

- (i) IESC should strengthen future implementation by concentrating on the clientele that it is best suited to serve; medium-sized and large firms with the management and technical capacity to absorb the advice and recommendations of its VEs and generate new investment, employment, income and improve productivity.
- (ii) IESC should continue to work with local private sector institutions with a view to ensuring that needs assessments and problem identification are effectively done and appropriate follow-up is carried out.

### (5) Lessons learned: The evaluator identified three tenets which have relevance for assistance to private enterprises.

- (i) Firm-level programs should be carefully matched with their intended beneficiaries.
- (ii) Needs assessments should be properly carried out to ensure that the clients get the type of assistance they require.
- (iii) It is important to monitor the adoption and implementation of technical assistance recommendations.

## ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier. attach studies, surveys, etc. from "on-going" evaluation, if relevant to the evaluation report.)

An evaluation of International Executive Service Corps Eastern Caribbean Operations.

## COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

### MISSION COMMENT:

The evaluator responded well to the demands of the scope of work and also identified factors which affected program delivery. While he made several recommendations, we have isolated just two for action since we believe these are worthwhile pursuing during the remaining period of support.

### GRANTEE COMMENT:

The Grantee felt that the evaluator provided valid insights on the general market, but arrived at hard and fast conclusions without recognizing the limited opportunity he had to assess and analyze the entire program.