

# **BUSINESS GROWTH INITIATIVE**

## FY 2010 Annual Report



Weidemann Associates, Inc.  
J.E. Austin Associates  
Management Systems International (MSI)

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## Section I. Introduction

The Business Growth Initiative (BGI) Project began in September 2006. The goals of BGI are to support USAID Missions and programs and provide guidance to USAID officers, to promote best practices in enterprise development and to build a community of practice for enterprise development within the broader development community. The fourth year work built on the technical and management foundations implemented in years one, two and three, created new partnerships and USAID Mission support activities, and firmly established BGI as a leading resource and center of excellence in business development.

### *Objectives*

The goals and objectives of BGI remain the same in Year 4 with greater emphasis and attention to the diversity of BGI's audience and beneficiaries as well as current trends and demands in the community.

Specific objectives are:

- 1) Improve enterprise development project designs and implementation to reflect best practices;
- 2) Conduct further research on trends and specific aspects of enterprise development;
- 3) Produce and disseminate technical briefs on specific topics of interest to Missions and to the broader enterprise development audience;
- 4) Promote the application of these best practices in enterprise development by: 1.) providing technical assistance to missions to aid in improving the design of enterprise development projects and 2.) conducting seminars and workshops; and
- 5) Provide technical assistance in the design and implementation of pilot demonstration projects in targeted Missions that will exemplify the application of best practices in enterprise development.

To support these objectives the contract anticipates the services to be provided will include:

- 1) Improved program/project **designs** utilizing best practices in enterprise development in at least four missions per year;
- 2) At least two **research** projects per year on specific aspects of enterprise development;
- 3) At least four **Technical Briefs or Notes from the Field** on aspects/trends in enterprise development produced and disseminated per year;
- 4) At least three **seminars/workshops** per year in the United States and overseas to promote the application of lessons learned and best practices in enterprise development; and
- 5) At least two **Pilot Demonstration Projects** (PDPs) per year in Missions with a demonstrated interest generated from outreach to those missions.

## Section II. Year Four Review

In Year 4 BGI established a solid base for project operations, targeted outreach for mission support and undertook research activities that resulted in a demand for additional services. BGI faced new challenges in seeking best practices in enterprise development in the chaos of the economic downturn. BGI strove to identify how USAID programs could catalyze on opportunities, and when few opportunities exist, establish what economic development assistance priorities would be.

### *Major Accomplishments*

In Year 4, BGI sought to establish itself as a leader and provider of guidance and resources for enterprise development. Through expanding services, networks, and high quality research activities and events, BGI is known as a center of excellence for business development and for providing USAID Missions with project support. This section highlights some of the main accomplishments of Year 4.

*Outreach and Communications Strategy.* In Year 4, BGI continued to reach out to other USAID, projects, as well as USAID Missions and Bureaus. BGI continued to disseminate its newsletters and participate in networking events. In Year 4, BGI was able to successfully collaborate with the University of Maryland to conduct our first ever graduate level paper competition.

*Increased demand for BGI assistance.* BGI successfully completed four Mission support activities, two in Armenia, one in Ecuador and one in Mali, along with successfully beginning an assessment in Mongolia and a pilot activity in Morocco, both of which will continue into Year 5. Request for support for BGI's services continues to be in high demand from Missions such as Indonesia, an activity that will continue into Year 5. Specifically, USAID/Indonesia has requested BGI to complete a four-part project for them, utilizing the BGI MEASURE diagnostic tool. The first part of the four-part assignment began in Year 4 and the remaining three parts will occur in Year 5.

*Established as a leader in business development.* BGI continues to be represented throughout the development community at large, and was present at the Economic Growth Officer's training in December 2009, as well as at the Economic Growth Officers meeting in June 2010.

*BGI Knowledge Portal.* In Year 4, the BGI team continued to add and update information on the website. A major transfer of IT assistance was delegated to Applied Knowledge Group (AKG), who continues to support the BGI site backup and maintenance into Year 5.

*Publications.* In Year 4 BGI successfully produced three research reports, a series of economic profiles for the Asia and Middle East Bureau, and two technical notes.

*Providing Leadership in USAID Program Design and Implementation.* BGI is a recognized leader promoting best practices in the design, assessment and evaluation of enterprise development projects by USAID. BGI is regularly considered as a vehicle for providing Mission and Bureau support, as demonstrated above.

*Partnership with USAID activities.* BGI actively sought to establish partnerships with related USAID projects. In Year 4, BGI continued its strong relationship with the A&ME Bureaus, continuing to receive requests for support from the region. BGI also maintains strong ties with the GDA office, completing a research report on economic alliances. BGI also held a number of Daybreak Discoveries with fellow implementers such as SSG Advisors and SRA International.

**Table 1. Project Results Indicators**

<b>Outcomes</b>	<b>Expected Results</b>	<b>Accomplishments</b>
Improved program/project designs for missions	3 per year	<ol style="list-style-type: none"> <li>1. Armenia Value Chain assessment</li> <li>2. Armenia SME Finance assessment</li> <li>3. Ecuador economic growth design</li> <li>4. Mali ICT sector assessment</li> <li>5. Mongolia economic growth assessment (ongoing)</li> <li>6. Indonesia MEASURE (ongoing)</li> </ol>
Conduct Research Projects	2 per year	<ol style="list-style-type: none"> <li>1. Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa</li> <li>2. Economic Growth Alliances in the Asia and Middle East Regions</li> <li>3. ICT As a Catalyst to Enterprise Competitiveness</li> </ol>
Develop and Disseminate Technical briefs and Notes from the Field	3 per year	<ol style="list-style-type: none"> <li>1. Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa</li> <li>2. Global Ready Indonesia</li> </ol>
Convene Seminars/Workshops on Best Practices	3 domestic, one international	<ol style="list-style-type: none"> <li>1. Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa</li> <li>2. Entrepreneurs' Voices</li> <li>3. African Diaspora Marketplace</li> <li>4. Economic Growth Alliances in the Asia and Middle East Regions</li> <li>5. ICT As a Catalyst to Enterprise Competitiveness</li> <li>6. Global Ready Indonesia</li> <li>7. Mobile Applications</li> <li>8. Enterprise Development Course in Bangkok, Thailand (forthcoming)</li> </ol>
Implement Pilot Demonstration Projects for Missions	1 per year	<ol style="list-style-type: none"> <li>1. Business Innovation Center Pilot Activity, Morocco</li> </ol>
Additional Reports and Publications and Activities		<ol style="list-style-type: none"> <li>1. Economic profiles for the Asia and Middle East regions</li> <li>2. University of Maryland Global Challenge paper competition</li> <li>3. Middle East Economic Profiles update (ongoing)</li> </ol>

## Section III. Organization and Staffing

### 1. Outreach and Communication Activities

Fundamental to BGI's overall approach was the creation and implementation of a cross cutting outreach and communications strategy. BGI's comprehensive strategy has two primary objectives: become the champion of enterprise development and business growth as a means of alleviating poverty and promoting economic development; and become a credible and respected voice for economic development through research, dissemination of best practices, case studies and other successful enterprise growth interventions.

In project Year 4, BGI continued to focus the communication and outreach strategy by targeting experts, establishing linkages with Universities and institutions and other USAID projects and activities. In addition, BGI will actively seek out champions within USAID, to develop and promote joint research and research support activities.

Specific Outreach and Communication accomplishments for FY2010 include:

- Mike Ducker of J.E. Austin Associates, Inc. presented his paper, *ICT As a Catalyst for Enterprise Competitiveness*, for a peer review on November 19<sup>th</sup> to the UN Foundation-sponsored Technology Salon. The Technology Salon provided a forum for discussion between information and communication specialists and development experts to contribute to the dialogue of their intersection. This event enabled BGI to reach out to a different audience.
- BGI and the University of Maryland's Robert H. Smith School of Business successfully co-hosted *The Global Challenge: Creating Alliances for Economic Prosperity* graduate-level paper competition. The first round selected eight finalists out of the total of 34 teams that submitted entries. In the second round, the finalists presented their concepts to a panel of four judges in April, and the top three winners were selected and presented cash prizes during a luncheon at the USAID Ronald Reagan rotunda, where USAID Chief Operating Officer Alonzo Fulgham delivered keynote remarks.
- The technical note and research report *Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa* was presented along with the Corporate Council on Africa as a Daybreak Discovery event in October 2009.
- Entrepreneurs' Voices, a video collection of entrepreneurs worldwide, was presented during Global Entrepreneurship Week in November 2009 at the George Washington University in conjunction with the International Institute of Tourism Development.
- BGI sponsored a support activity for the African Diaspora Marketplace Learning Event in January 2010, entitled *Identifying Best Practices for Marketing in Africa: Lessons from the Business Growth Initiative*.
- Both the *Economic Growth Alliances in the Asia and Middle East Regions* and *ICT as a Catalyst for Enterprise Competitiveness* research reports were presented as Daybreak Discovery events.
- *Global Ready Indonesia*, a Notes from the Field on IT training centers in Indonesia written by Steve Rynecki of SRA International, was presented as a Daybreak Discovery in May.
- A roundtable discussion led by Steve Schmida of SSG Advisors was hosted by BGI in June, featuring the idea of utilizing mobile applications to promote entrepreneurship in developing countries.

## 2. Staffing Resources

Additional staff has been approved from Weidemann Associates, Inc., J.E. Austin Associates, Inc. and Management Systems International.

- In October 2009, Alicia Miller was approved as a level III associate at J.E. Austin Associates, Inc.
- In November 2009, Jessica Barrineau began as a level III program associate on BGI with Weidemann Associates, Inc.
- Peter Wang was transferred off of the BGI knowledge management portal and Applied Knowledge Group (AKG) was replaced for IT help and maintenance.
- Ingrid Rosten was hired as the primary consultant for the Business Innovation Center Pilot Activity in Morocco, with Jeff Milanette serving as support.
- David Jessee was hired as the team leader consultant for the USAID/Ecuador economic growth project design.
- Graham Perrett was hired as the financial sector expert for the USAID/Armenia finance sector assessment.
- In September, 2010 Carolyn Kirchhoff departed Weidemann Associates after two years as a BGI program associate.

## Section IV. Program Activities

Year four activities were driven by: budget allocations, the Asia and Middle East (A&ME) Bureaus scope of work, activities that support the Global Engagement Initiative, and resources establishing the BGI legacy for the end of the project.

### 1. Improved Program/Project Designs for Missions

Based on direct feedback and new inquiries for service, BGI is recognized as a quality mechanism for providing research and implementation support. BGI services are limited due to budgetary constraints, support activities focused on cost sharing mechanisms and buy-ins.

#### A. Asia and Middle East Bureaus Buy-In

The objective of this activity was to support economic growth programs in the Asia and Middle East (A&ME) Bureaus and Missions. The main thrust of the work under the buy-in has been carrying out and disseminating regional research on how to make economic growth alliances work. Additionally, the buy-in was to provide: regional analyses to provide state-of-the-art knowledge on critical economic growth programs and development policy issues facing A&ME Bureaus and Missions; and program support to senior management and Mission support for EG strategy development and program design and implementation across the regions.

- Work Assignment 59 *Thailand Workshop*. The Scope of Work involves BGI planning and implementing a 4.5 day course in Bangkok, Thailand. The implementation of the course was originally planned for Year 4, however, will now occur in Year 5 due to previous political violence there. In Year 4, BGI continued to create the agenda for the course, draft a survey for potential participants, and work with the Regional Mission in Bangkok on logistical efforts.
- Work Assignment 62 *Mongolia Economic Growth Assessment*. Beginning in Quarter 4, BGI supported an Economic Growth Assessment in Mongolia by contributing one member of the team, the Business Enabling Environment expert and Team Leader. This activity will continue into Year 5.
- Work Assignment 63 *ME Economic Profiles Update*. The A&ME Bureaus have requested an updated literature review and desk study of Egypt, West Bank/Gaza, Jordan, Morocco,

Lebanon, Yemen and Iraq to support Congressional briefings. Don Snodgrass and Thibaut Muzart continue to complete this activity, which will continue into Year 5.

- Work Assignment 64 *Indonesia MEASURE*. The USAID Mission in Indonesia requested assistance from BGI to conduct various economic growth assessments of certain sectors, including completing a MEASURE and assisting with logistics for an entrepreneurship conference. This activity will begin in late Quarter 4 and continue into Year 5.

## **B. Direct USAID Mission Support**

BGI continued to actively pursue work for improved project/program designs that are demand driven and based on direct or indirect requests for support, interviews with program or Mission staff, and knowledge of when project/program decisions will be made. With approval from the COTR, Steve Silcox, we contact and work with appropriate Mission personnel to define in detail the support needed in the concept development, design or evaluation of a program/project.

Direct Mission Support Accomplishments include:

- USAID/Armenia: BGI conducted a rapid value chain assessment along with a financial services assessment early in Year 4. The value chain assessment provided a general background on targeted value chains, particularly agribusiness. The financial services assessment was part of an overall assessment on the status of SME's access to finance. The final report made recommendations given the environment of the economic crisis.
- USAID/Ecuador: BGI conducted a project design that aimed to strengthen markets and expand economic access and opportunities for the poor.
- USAID/Mali: The USAID Mission in Mali requested that BGI conduct an ICT sector assessment and requested concrete ways that internet access could be provided to rural areas. The team that conducted the assessment provided recommendations on how to overcome some of the constraints.
- USAID/Mongolia: The Mission requested an economic sector assessment by a four-person team. BGI provided the team leader for the assessment. The assessment will conclude at the end of Year 4.
- USAID/Indonesia: The Mission has requested that four activities be completed by BGI: a MEASURE, a MEASURE PLUS, including policy recommendations on how to stimulate entrepreneurship, summit support at an Entrepreneurship Summit in 2011 and an ICT assessment. The MEASURE will begin in Year 4 and all other activities will continue into Year 5.

## **C. Trainings and Workshops for USAID staff**

As part of its core mission, BGI is available to conduct international trainings of USAID staff on topics related to enterprise development.

Trainings and Workshops Accomplished:

- BGI was represented at the Economic Growth Officers training in December 2009. BGI team member Mike Ducker of J.E. Austin presented on the importance of information and communication technologies to enterprise development. BGI COTR Steve Silcox presented an overview of enterprise development. USBs of all BGI publications were given to every participant.
- BGI was present at the Economic Growth Officers conference at the Academy for Educational Development the week of June 21, 2010. BGI COTR Steve Silcox moderated a panel on enterprise competitiveness and served as a panelist during a session related to innovation and entrepreneurship and discussed best practices.

- BGI began planning for an Economic Growth Officers training to be held in Bangkok, Thailand in June. Due to political violence, it was postponed into Year 5.

## 2. Tools and Guidelines

### A. Enterprise Development Diagnostic (MEASURE) Tool

In Year 2 BGI began work on the creation of an enterprise development diagnostic tool that could be used by USAID Missions and personnel to assess country-level business performance and decisions and the economic environment that affects businesses' performance and choices. MEASURE's target is to describe how business decisions are influenced by the business environment (including access to skills, services and knowledge).

MEASURE is differentiated from other diagnostic tools and indices (CAS, GCR, etc.) by its insight into not just the environment, but how well enterprises are growing and succeeding in the enterprise-specific environment. MEASURE is designed to provide an understanding of actual enterprise responses to the quality of the economic environment.

Accomplishments in Year 4:

- A MEASURE assessment in Armenia that began at the end of Year 3 was completed in the beginning of Year 4.
- USAID/Indonesia has requested that a MEASURE be completed by BGI. The planning of the assessment and the initial trip will occur in Year 4 and will overlap into the beginning of Year 5.

## 3. Research Activities

Topic areas for BGI research for Year 4 were defined as: innovation and entrepreneurship, the business environment, strengthening enterprise support systems, and enterprise finance.

Research Activities accomplished in FY2010 include:

- The research report *Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa* by Adam Saffer, Paul Temple and Thibaut Muzart was finalized in October 2009. The research report provided an in-depth analysis of the role of mining companies in spurring SME development in Sub-Saharan Africa.
- *Economic Growth Alliances in the Asia and Middle East Regions* was completed and presented at a Daybreak Discovery event. This research activity was led by Julie Lostumbo and began in Year 3 and was finalized in Year 4. The activity included desk research as well as field trips to Egypt, Vietnam and Sri Lanka.
- *ICT as a Catalyst to Enterprise Competitiveness* was completed. This research activity was led by Mike Ducker of J.E. Austin Associates and examined the role that ICTs can play in spurring enterprise development.
- Economic profiles for the Asia and Middle East regions were also completed for a number of countries. This research activity involved desk research and updates to the Middle East economic profiles will continue into Year 5.
- *Entrepreneurs' Voices* involved research and thorough interviews in order to compile a final video presentation, presented during Global Entrepreneurship Week.

#### 4. Technical Notes and Notes from the Field

*Technical Notes* are short documents with essential information gleaned from research reports or other documents and activities on lessons learned in enterprise development.

*Notes from the Field* provide detailed information and background on an individual project or an approach. *NFTFs* are strong accompaniment documents to technical notes, but do not fully present an issue. In addition, *NFTFs* are live documents that may be updated to bring the latest experiences to BGI audiences.

*Technical Briefs* and *Notes from the Field* done in Year 4:

- Technical Brief, *Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa*, by Adam Saffer, Paul Temple and Thibaut Muzart was disseminated in October 2009. This technical brief examined the mining industry in Africa and made recommendations for utilizing it towards enterprise development growth.
- Notes from the Field, *Global Ready Indonesia*, by Steve Rynecki of SRA International, discussed his experience developing and implementing IT training centers in Indonesia.

#### 5. Seminars/Workshops

As part of its core mission, BGI conducts several seminars or workshops each year. BGI hosts the Daybreak Discovery series, hosting events in the DC metro area on topics related to enterprise development. In addition, BGI hosts one international conference a year.

Seminars/Workshops accomplished in FY2010 include:

- The technical note and research report *Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa* was presented in October 2009.
- *Entrepreneurs' Voices*, a video presentation, was delivered during Global Entrepreneurship Week in November 2009. Mike Ducker of J.E. Austin compiled the video presentation, which features entrepreneurs from all over the world.
- *Economic Growth Alliances in the Asia and Middle East Regions* was presented in January 2010, held in collaboration with the Robert H. Smith School of Business at the Ronald Reagan Building.
- BGI also sponsored a support activity for the African Diaspora Marketplace Learning Event in January 2010 called *Identifying Best Practices for Marketing in Africa: Lessons from the Business Growth Initiative*.
- *ICT as a Catalyst for Enterprise Competitiveness* was presented in March 2010, inviting a panel of ICT experts to speak on their experiences in using ICT as an enabler in enterprise development projects.
- Steve Rynecki of SRA International presented his Notes from the Field *Global Ready Indonesia* in May 2010.
- Steve Schmida of SSG Advisors presented his concept paper *Mobile Applications for Development* in June 2010.

#### *Pilot Demonstration Projects*

BGI planned, developed and began a new pilot activity in Year 4 called the Business Innovation Center Pilot Activity. This activity involved the initial research and planning of the creation of a

business innovation center in a Muslim-majority country. The idea stemmed from President Obama's initiatives to increase entrepreneurship and business ties with the Muslim World through his global engagement efforts. BGI contacted a number of Missions in Muslim-majority countries with this scope of work, and decided jointly to begin the project in Morocco. Ingrid Rosten was the consultant identified to lead this project. In Quarter 2, Marialyce Mutchler and Ingrid Rosten traveled to Morocco to begin the initial meetings and discussions with local business, academic, and government partners. In Quarter 4, Ingrid Rosten returned to Morocco for follow-up meetings and discussions about financing the center and to develop an overall business plan.

## **Section V. Knowledge Management System**

Knowledge Management (KM) is a core service in the BGI project. Specific objectives of the KM system are:

- Capture, provide custodianship, and perform taxonomy of all information, data, analysis, and any other written material produced under the BGI project;
- Create a standard framework for knowledge creation, sharing and vetting;
- Disseminate lessons learned, best-practices and professional training in appropriate multimedia formats;
- Provide technical-support and outreach to USAID Missions, client country decision-makers, other domestic US and international development and support organizations; and
- Coordinate donor and KM linkages, create and support communities of practice.

Knowledge is generated and shared in many ways. The above described activities are and will be generating knowledge about best practices in enterprise development. Disseminating knowledge includes the traditional methods of distributing published reports, presentations, workshops and seminars and teleconferencing of BGI personnel with USAID personnel.

Accomplishments:

- The average site visits each month in Year 4 remained at or around 1,300.
- The website pages are constantly updated with new documents being added to Key Practice Area pages and the Studies in Enterprise Development page; additions to the USAID project list; new events; and the inclusion of new research and events hosted by BGI.
- Changes to the website include:
  - Full re-design of the BGI website occurred to ensure that all pages had the same style and uniform lay-out to facilitate the ease of using the website.
  - All page descriptions were re-written to clarify the purpose of the page and how its content was specifically related to each area of enterprise development
  - Scrolling photos were added to improve the aesthetic of the homepage
- A team site was launched in Quarter 3 for the Bangkok, Thailand course.
- Weidemann Associates, Inc. officially signed a contract with Applied Knowledge Group (AKG) to serve as all technical support for the BGI site, including maintenance and backup.

## Annex I

### *List of Deliverables from FY 10:*

#### **Publications**

- Extracting Value for Enterprises: Enterprise Development in the Mining Industry in Sub-Saharan Africa (Research report and technical note)
- Economic Growth Alliances in the Asia and Middle East Region
- ICT as a Catalyst for Enterprise Competitiveness
- Global Ready Indonesia (Notes from the Field)

#### **Assessments**

- USAID/Armenia rapid value chain assessment
- USAID/Armenia financial sector assessment
- USAID/Mongolia economic growth assessment (ongoing)

#### **Periodic Reports**

- Quarterly Report, Q1
- Quarterly Report, Q2
- Quarterly Report, Q3