

BUSINESS GROWTH INITIATIVE

FY 09 Quarter 3 Report



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Section I. Introduction

The Business Growth Initiative (BGI) Project began September 2006 and is in the first option year for the five year activity. In the project's third year, BGI will continue to serve as a resource and center for excellence in business development. Research and technical support efforts will focus on effective tools for practitioners and continue to provide leadership for USAID and implementers around key challenges facing enterprise development. This report is a summary of activities for Q3 (1 April - 30 June 2009) of project year 3.

Objectives

The goals and objectives of the BGI project remain the same in Year 3 with greater emphasis and attention to the diversity of the BGI's audience and beneficiaries, 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 audience for enterprise development;
- 4) Promote the application of these best practices in enterprise development through technical assistance to Missions to aid in improving design of enterprise development projects and through 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** 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.

A core service supporting the achievement of these objectives is the **Knowledge Management (KM)** system, which itself has its own set of objectives that are presented below in Section IV.

Summary of Accomplishments for Q3 of Project Year 3 are:

- BGI held its first international training event for the year: an Enterprise Development Workshop for USAID staff in Amman, Jordan on April 26-27, and the second international conference; the Driving Growth through Innovation and Enterprise Development practitioners' conference April 28-29.

- BGI held two Daybreak Discovery events this quarter. The first was held on June 4th, which marked the official Washington, D.C. launch of the MEASURE Enterprise Development Diagnostic tool and pilot in Ethiopia. The second was held on June 30th, co-hosted by the Global Sustainable Tourism Alliance at the George Washington University, presenting the Notes from the Field on Aid to Artisans that was written for the Jordan Conference.
- BGI published one paper: *MEASURE: Ethiopia, The Enterprise Development Diagnostic for USAID/Ethiopia*. This document served as the basis for the presentation introducing the MEASURE tool in the Daybreak Discovery series.
- BGI published one Notes from the Field: *Aid to Artisans: Building Profitable Craft Businesses* which served as the basis for the Daybreak Discovery event on June 30th.
- BGI team members Marialyce Mutchler and Julie Lostumbo traveled to the Middle East and Asia to complete the field-based research portion of the on-going research paper on Economic Growth Alliances for the Asia and Middle East Bureau.
- BGI continued providing support to the Asia and Middle East Bureau's Yemen country Strategy development with Marialyce Mutchler's participation in the country strategy session in Egypt, May 18-21.
- The Asia and Middle East Bureau engaged BGI to start a new activity to produce short Economic Profiles for six Middle Eastern countries.

Section II. Organization and Staffing

Outreach and Communications Strategy

In project Year 3, BGI will continue 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.

Outreach and Communications Accomplishments in Q3 include:

- Volume 2, Issue 2 of the Newsletter was disseminated to the mailing list in May 2009.
- In April, BGI reached out to two leading local university institutions to discuss the potential for collaboration: the Center for International Business Education and Research (CIBER) at the University of Maryland, and the Mercatus Center at George Mason University.
- On June 23, COTR Steve Silcox and Carolyn Kirchhoff met with Melissa Carrier, Executive Director for the Center for Social Value Creation, Dr. Steven Feld, Executive Director of International Programs and CIBER, Kislaya Prasad, Director of CIBER, and Karen Watts, Assistant Director of CIBER, at the University of Maryland.
- On June 25, COTR Steve Silcox and Carolyn Kirchhoff met with Brian Hooks, Chief Operating Officer of the Mercatus Center, and Claire Morgan, Director of the Social Change Project at the Mercatus Center at George Mason University.
- Marialyce Mutchler and Julie Lostumbo met with Michael Satin, Director of General Development Office at the Regional Development Mission/Asia in Bangkok, Thailand, to discuss BGI services and support opportunities including the MEASURE tool, mission staff training and research services.

- Co-hosting the Daybreak Discovery event with the Global Sustainable Tourism Alliance has allowed BGI to collaborate with another USAID project, and expand our mailing list database and contacts.
- In June, BGI sent all Jordan Enterprise Development Workshop participants a certificate of completion and a copy of the *MEASURE: Ethiopia* pilot findings.

Outreach and Communications Planned in Q4:

- Volume 2, Issue 3 of the Newsletter will be sent out.
- Follow-up meetings will be scheduled with the University of Maryland as well as George Mason University to include Marialyce Mutchler and Julie Lostumbo. These meetings hope to enable further discussions to conceptualize more concretely potential areas of collaboration between BGI and these University programs.
- Due to the level of interest received from other regions with the announcement of the Enterprise Development workshop and conference in Jordan, BGI will continue discussions to potentially pursue hosting workshops in other interested regions.

Staffing

- In May, BGI engaged with Colleen Gwari, a graduate student at Brandeis University who contacted the project interested in an internship or other collaborative opportunities. Mr. Gwari has been engaged to write a 12-15 page technical brief paper for BGI that will consist primarily of a literature review to attain the objective of a better understanding of the role of public institutions in assisting SMEs in bridging the financing gap.
- In June, Don Snodgrass was re-engaged to be the lead for the new Work Assignment under the Asia and Middle East Bureau buy-in to create the Economic Profiles requested for six Middle Eastern countries.

Section III. Program Activities

Improved Program/Project Designs for Missions

1. Asia and Middle East Bureau (A&ME)

The objective of this activity is to support economic growth programs in the A&ME Bureau and Missions by carrying out and disseminating regional research on how to make EG alliances work. Regional analyses will also provide state-of-the-art knowledge on critical economic growth programs and development policy issues facing A&ME Bureaus and Missions. Finally, program support will provide A&ME senior management and Mission support for EG strategy development and program design and implementation across the regions.

- *Work Assignment 37 Economic Growth Alliances, Analyses, and Program Support*
Scope of Work includes three phases: desk research, site visits to up to four countries and a final report on best practices and recommendations for economic growth alliances in the A&ME region. In Q2, approval was given to move forward with the second phase of this research project to include site visits. In early May, Marialyce Mutchler and Julie Lostumbo traveled to Cairo, Egypt to conduct interviews and view the on-the-ground experience of alliances in the area. In June, Marialyce Mutchler and Julie Lostumbo traveled to Thailand, Viet Nam, and Sri Lanka to conduct interviews there on the alliances projects that are currently

being implemented. The information gleaned during these trips will be incorporated into the final paper to the Bureau in Quarter 4.

- *Work Assignment 44 Yemen Economic Growth Strategy* The A&ME Bureau requested that Marialyce Mutchler travel to Cairo, Egypt in May to participate in the discussions and meetings that were taking place for one week to establish the new USAID Strategy for Yemen.
- *Work Assignment 45 ME Economic Profiles* The A&ME Bureau requested that BGI produce concise economic profiles of the ME countries “Economic Prospects and Challenges” to be used by senior management for briefings on the Hill, and at interagency meetings. Don Snodgrass is undertaking this activity. West Bank/Gaza and Egypt have already been completed. The feedback from the Bureau so far has been enthusiastic.

Asia and Middle East Bureau Activities planned for Q4 include:

- Begin Phase three of Work Assignment 37 to assimilate what was learned during the field visits into the final report for the Bureau.
- Work will continue on Work Assignment 45 to complete the rest of the Economic Profiles for the Middle East.
- Pre-Design research for the Yemen EG Strategy TDY is scheduled for September.

2. *USAID Mission Support*

BGI will continue 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 CTO we will 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.

USAID Mission Support Accomplishments in Q3 include:

- There were no direct Mission support activities in Q3.

USAID Mission Support Activities planned in Q4:

- *USAID/Yemen Economic Growth Strategy* Marialyce Mutchler will travel to Yemen as part of the strategy design team for Yemen departing on/about September 20, 2009.
- *USAID/Ghana Agribusiness project design* The BGI team will field a team of 3 expatriates, and will hire a local consultant to carry-out a scope of work design for USAID/Ghana on agriculture and agribusiness policy, including the issue of food security. The team will arrive in-country no later than August 15.

3. *Trainings and workshops*

International Workshop/Conference Accomplishments in Q3:

- BGI held an international workshop on April 26-27 in Amman, Jordan to provide training for USAID economic growth officers on enterprise development topics. There were 15 participants, and feedback from the sessions was very positive.

- BGI held its annual international conference in Amman, Jordan on April 28-29, titled Driving Growth through Innovation and Enterprise Development. The event drew over 60 participants. Surveys from the sessions were positive; many of the speakers were noted to be some of the most respected in the region.

4. *Enterprise Development Diagnostic Tool*

Enterprise Development Diagnostic Tool Accomplishments in Q3 include:

- The MEASURE tool was first introduced publically at the Jordan workshop to the attending USAID economic growth officers.
- The tool was officially launched in Washington, D.C. on June 4th, during the Daybreak Discovery event which also highlighted the findings from the pilot of the tool in Ethiopia.

Enterprise Development Diagnostic Tool Activities planned for Q4 include:

- BGI hopes to continue to seek buy-in from Missions who would be interested in using BGI to conduct a MEASURE assessment for them.
- The marketing brochure for the tool is planned to be re-vamped.

5. *Value Chain/Enterprise Development Implementation Checklist*

Value Chain Checklist Activities planned for Q4 include:

- BGI plans to publish the Value Chain Checklist. Additionally, the Checklist and the Toolkit will be put on the BGI website in a manner that will allow practitioners to use and access these tools. Action on this is pending on movement forward by the World Bank officially launching the Value Chain Toolkit.

6. *Requests for Information*

BGI is frequently contacted for information regarding best practices in enterprise development. During Quarter 3, no such requests were received:

Research Activities

Topic areas for BGI research for Year 3 are defined as: Business Growth in Post Conflict Environments; Business Environment; Strengthening Enterprise Support Systems; Innovation in Business Growth; and Enterprise Finance.

Research Activities accomplished in Q3 include:

- Work Assignment 35: *SME Development Opportunities in the Large Scale Extractive Industries* continued to move forward, Management Systems International has taken a lead on this research. The Research Paper was completed. Comments from Don Snodgrass are currently being incorporated into the paper. The Work Assignment was also expanded to include producing a Technical Brief as well.

Research Activities planned for Q4 include:

- BGI will continue work on the *SME Development Opportunities in the Large Scale Extractive Industries* Research Paper and Technical Brief. They will be launched and published in September in conjunction with a Daybreak Discovery event.

Technical Briefs and Notes from the Field

Technical Briefs are short documents with essential information gleaned from research reports or other documents and activities on the 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 briefs, 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 disseminated in Q3 include:

- Notes from the Field No. 4, *Aid to Artisans: Building Profitable Craft Businesses*, by Marilyn Hnatow of Aid to Artisans.

Technical Briefs and Notes from the Field planned for Q4 include:

- BGI will continue collaboration with Judy Payne on the *Catalytic Effects of ICT and Enterprise Development* under Work Assignment 27.
- BGI will continue work on a technical brief on the effects of *Doing Business rankings on SMEs* in developing countries under Work Assignment 39.
- BGI will continue work on the *SME Development Opportunities in the Large Scale Extractive Industries* Technical Brief.
- Colleen Gwari, under BGI leadership and oversight, will continue work on the technical brief on SME development in Southern Africa.

Seminars/Workshops

Seminars/Workshops Accomplished in Q3 include:

- BGI held two workshops in the Daybreak Discovery series.
 - The first was held on June 4th, which marked the official Washington, D.C. launch of the MEASURE Enterprise Development Diagnostic tool and pilot in Ethiopia. Attendance at this event was 38 people, the largest and most successful event in the series this year.
 - The second was held on June 30th, co-hosted by the Global Sustainable Tourism Alliance at the George Washington University, presenting the Notes from the Field on Aid to Artisans that was written for the Jordan Conference. Attendance at this event was 29 people, at least half of whom were new to the BGI mailing list.

Seminars/Workshops planned for Q4 include:

- A Daybreak Discovery will be held in September to provide the findings from the Research Paper and Technical Brief, *SME Development Opportunities in the Large Scale Extractive Industries*.

Pilot Demonstration Projects

BGI continues to review the current program and discuss with Missions and related KM projects opportunities to lead and contribute to pilot demonstration projects. BGI will seek to promote pilot activities for the practical application of research projects. Pilot programs are dependent on funding.

Section IV. 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.

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 in workshops and seminars, and teleconferencing of BGI personnel with USAID personnel.

The BGI web site facilitates dissemination of knowledge, as well as capturing knowledge through participation in a wider circle of practitioners. In order to improve website operations BGI will work with SharePoint experts Applied Knowledge Group. Initial activities will be a systems diagnostic, assessment and mapping.

Specific KM Portal Accomplishments for Q3 include:

- A team site was created for all participants of the Enterprise Development workshop in Amman, Jordan to provide participants with additional information and a forum for comments and questions.
- After the workshop and conference, the BGI website was updated to include all the latest information including: final presentations from the conference, presenter biographies, and the final agenda.
- In June, testing was conducted on the internal testing site for the functionality of video clips. Further testing will continue into Q4.
- Changes to the website include:
 - Updating the BGI partners pages;
 - Reorganizing the top-bar tabs for a better lay-out for users;
 - The Caucasus Regional Workshop page was moved under the “Workshop/Trainings” page for ease of navigation for the user.
- The average site requests (visits) during all three months of the Quarter were just under 200. Top page requests were for the homepage, the Notes from the Field No. 2, and the Quarterly Newsletter. Top destination pages were the Publications page, the homepage, and the Studies in Enterprise Development page.

KM Portal Activities planned for Q4 include:

- The Value Chain Checklist along with the Toolkit will be added as a new tool on the website under BGI Products.
- The Enterprise Development Diagnostic Tool will be added to the website under BGI Products.
- The Services to Bureaus and Missions page will be moved from About BGI to the BGI Products heading. Further updates will be made to both make navigation easier for the user as well as to “update” the look and feel of the site.
- Further actions to make the website more user-interactive, following the new wave of software and programs of Web 2.0, will be reviewed. Action on these items will follow the stabilization of the website, which will take priority over all activities for the KM Portal.

Section V. Financial Report

Cost Element	Amount for Current Period	Cumulative Amount	Obligated Amount	
Direct Labor	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
ODC	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
G&A	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	\$ [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]