

Pioneering Real-time Impact Monitoring and Evaluation

PUTTING PRIME INTO PRACTICE

PRIME NEWSFLASH, SECOND & THIRD QUARTER OF 2015

In the fourth quarter of 2015, we launched the first online expert survey among PUM experts, thus giving us insight into more than 1,000 SMEs that have been supported between 2014 and 2015. Two research briefs were written based on the M&E data from CBI and PUM to understand differences and heterogeneity of effects. Finally, a first field mission for the case study was conducted in Uganda in the coffee and agri-sector.

In the autumn we launched the first online expert survey among PUM experts. The survey aimed to learn from PUM experts whether they have matched supported SMEs with European firms, how they stayed in touch with supported SMEs after the mission, and how they evaluated the business knowledge, practices and performances. The survey was sent to the 1,069 experts who visited an SME between January 2014 and June 2015; 70% of the experts answered the survey representing a total of 1,113 SMEs. One out of ten experts indicated that they have facilitated a link between the SME they supported and a European firm. The majority of experts, more than three quarters, stayed in touch with the supported SME after their mission, usually through email.

A conceptual framework was developed to analyse the case study. In the synthesis process, we code pieces of information from each of the case study reports and interview reports in order to make a comparative analysis, using the Atlas.ti software. Each case study will have to provide similar types of information. These reporting areas are related to 1) implementation efficiency (brokering and recruitment of beneficiaries, selection of firms that want to participate, follow-up of the initial support provided to the firms), 2) barriers and enablers (dynamics in the market and interfirm competition, institutional environment, specific SME characteristics), 3) additionality (of the knowledge provided, the BSO support, complementarity of support) and 4) indirect effects (economic spill-over effects in the sector, negative externalities of the production/service process, innovation processes in the sector). The results of the comparative analysis of the case studies will also be linked to the analyses of M&E data. More details on the conceptual framework of this comparative research can be found in the PRIME policy brief #4, which is available from the website www.primepartnership.nl.

The inception reports with the research methodologies for PRIME-ITC are finalised. In PRIME-ITC, we evaluate the activities of the third phase of the Netherlands Trust Fund Export Sector Competitiveness Programme (NTF III – ESCP). NTF III Kenya's main objective is to enhance export competitiveness in the avocado sector, thereby improving the livelihoods of small-scale avocado producers. The main objective of NTF III Bangladesh is to improve the export competitiveness of the Information Technology (IT) and IT-enabled services (ITES) industry in order to increase export revenues. In Kenya the baseline survey was conducted successfully. A mission to Bangladesh will be conducted

What is PRIME? The Centre for the Promotion of Imports from Developing Countries (CBI), PUM Netherlands Senior Experts, the Agricultural Economics Research Institute (LEI Wageningen UR) and the Erasmus School of Economics (ESE) have developed a joint programme to pioneer impact evaluation methods of support to small and medium enterprises in developing countries. The PRIME programme is designed to develop an approach to data collection that enables the impact of PUM and CBI to be tracked while at the same time giving both organisations more insight into their interventions and the opportunity to learn about how they can manage for greater impact.

How does PRIME use the M&E data? Time-series datasets will be constructed with data on key indicators of SME clients. This dataset will be used in the econometric analysis of impact and to develop a typology of different modalities of support provided.

How does PRIME use the case studies? The case studies are complementary to the quantitative analysis of the monitoring data. Case studies will include in-depth semi-structured interviews with client enterprises, non-client enterprises, BSO representatives, and local (sector) experts in order to get a deeper understanding of the mechanisms that resulted in the (non) changes in SME processes and performance. Case studies will also include the measurement of key indicators among non-supported SMEs.

at the end of February to discuss the last details of the baseline survey with Bangladesh Association of Software and Information Services (BASIS), an important project stakeholder, and the local survey company (Mitra).

Two research briefs were written describing the analysis of the M&E data, one related to PUM and the other related to CBI. One topic of the research brief was a cluster analysis. **The overall purpose of the clustering is to give insight into what works for whom. It also showed the synergy between the data from CBI and PUM, which is one of PRIMEs purposes.** The cluster analysis resulted in four differentiated groups:

Type A: the normal target group of firms;

Type B: tiny, young firms;

Type C: older and larger firms;

Type D: new start-up firms.

We compared the audit scores (for CBI) and the self-perceived achievements (for PUM) between the different clusters. Both the audit score and the self-perceived achievement scores cover many different indicators. To reduce the number of indicators we used a principal component analysis (PCA), and derived two overarching issues: ‘Marketing strategies’ and ‘Internal organisational issues’. The analysis showed that the support on marketing strategies are more important for older firms, and internal organisational issues more challenging in younger firms.

| Cluster | CBI supported firms | | Mean firm age Mean number of employees | | Starting situation of the SME | | Self-assessed effectiveness of business coaching | |
|---------|---------------------|------|---|-----|--|---|--|--|
| | | | | | CBI audit scores on "Marketing strategies" | CBI audit scores on "Internal organisation" | PUM achievements "Marketing strategies" | PUM achievements "Internal organisation" |
| A | 213 | 32% | 16 | 25 | + | -- | +/- | + |
| B | 176 | 26% | 9 | 8 | -- | -- | -- | + |
| C | 178 | 27% | 18 | 108 | -- | ++ | ++ | -- |
| D | 49 | 7% | 3 | 22 | ++ | +/- | + | + |
| Others | 13 | 2% | | | | | | |
| Total | 667 | 100% | 14 | 55 | | | | |

In October 2015, the PRIME research team conducted the first field mission for the case study on the activities of CBI and PUM in the coffee and agri-sector Uganda. After having spoken with several of the CBI-supported coffee producers at the World of Coffee trade fair in Sweden in June 2015, this mission provided further in-depth insights into the experiences, views and recommendations of programme participants, non-supported firms and various stakeholders in the respective sectors. Some key issues that were discussed with stakeholders during the mission included: the role of market-price information for specialty coffee producers,, the relevance of low-cost consultancy such as that offered by PUM, and the coordination of activities of different donor agencies involved in the coffee and agri-sectors in Uganda.

In early November 10th 2015 we organised the 6th PRIME-Advisory Committee meeting. The two main recommendations were to re-think our reporting strategy to more clearly illustrate the holistic nature of PRIME research tools. Another conclusion was the urge that PRIME should gain more insights into firms’ willingness to pay for the support provided, and additionality of PUM and CBI-like services: both topics will be integrated in future PRIME tools. In addition to our usual committee members, Irma Keijzer joined as an observer.