

ADOPTION OF THE PROMOTED MANAGEMENT PRACTICES

Outcome indicator, Output indicator

Indicator Phrasing

English: number or % of [specify the target group] that use at least [specify a number or %] of promoted management practices

French: nombre ou % de [spécifiez le groupe cible] qui utilisent au moins [spécifiez un nombre ou %] de pratiques de gestion promues

Portuguese: número ou % de [especificar o grupo-alvo] que utilizam pelo menos [especificar um número ou %] de práticas de gestão promovidas

Czech: počet nebo % [určete cílovou skupinu], kteří používají alespoň [určete počet nebo %] propagovaných manažerských praktik

What is its purpose?

The indicator measures the extent to which the target sellers / service providers adopted the promoted business management practices, such as specific methods of financial management (e.g. recording business expenses and income, keeping the businesses' funds in a bank account) or strategic planning (e.g. preparation of a business plan).

How to Collect and Analyse the Required Data

Determine the indicator's value by using the following methodology:

1) **List the main management practices the intervention promotes.** Try to avoid a situation where both 'simple' practices (e.g. the recording of expenses and income) and more complex practices (e.g. an informal business officially registers to become formal) are on the same list; the resulting data may not provide an accurate picture. You might want to have two separate lists for 'easy' and 'difficult' practices and decide how many easy practices can equal to one difficult practice.

2) **For each management practice, define what exactly it involves.** For example, the development of a business plan, could involve the following components:

- has a visually observable written business plan
- is able to state 3 elements of their business plan
- is able to give 3 reasons for the importance of a business plan

3) **Set clear benchmarks** of when the data collectors can conclude that a business uses a given management practice (for example, when it meets at least two thirds of its key principles defined in step 2 above).

4) **Observe and interview** a [representative sample](#) of the target sellers / service providers and assess whether they use any of the promoted practices and if so, the extent to which they follow their main principles.

5) To **calculate the indicator's value** in percentages, divide the number of sellers / service providers using the required minimum of the promoted practices by the total number of surveyed sellers / providers. Multiply the result by 100 to convert it to a percentage.

Disaggregate by

[Disaggregate](#) the data by formal and informal businesses.

Important Comments

1) Project teams (or business development service providers) can **use checklists to monitor key management competencies of individual businesses on a regular basis** (e.g. quarterly) and over time. This can help projects better understand the adoption of business management skills amongst supported businesses, capacity building gaps, and the impacts of any capacity building support that a project is facilitating access to. Having such **“real-time” data enables the project managers to re-design the types of support their teams (or partners) provide and focus on addressing the most significant weaknesses**. To improve the efficiency of the data collection and analysis process, tablets or smartphones can be used using a free, open-source software tool such as the [KoBo Toolbox](#).

For example, in Cambodia, such a **tablet-based monitoring system** was used by People in Need (PIN) to assess the performance of companies constructing domestic biodigesters. The monitoring was based on clearly defined and objective criteria and split according to different categories. The categories included: promotion and marketing competencies, staff management, financial management and planning, and quality control. The companies, which assessed, then developed specific objective criteria for each of these broader categories. For example, promotion and marketing competencies could include 1) keeping an updated list of potential customers in the area, 2) cooperating with other companies on promotional activities, 3) gathering market information regularly from at least two reliable sources, etc. Points were allocated for each practice that the business appeared to be following, and the total number of points generated allowed each business to receive a grading for each competency area (e.g. promotion and marketing) and overall (a ‘weak’, ‘medium’ or ‘strong’ grading system was used). This grading system was used by PIN for comparisons over time and between companies. Customized feedback was provided to the companies based on the ongoing use of the monitoring checklists and helped to inform the projects’ coaching support.

Access Additional Guidance

- Miehlbradt, A. and Posthumus, H. (2018) [Gathering Information from Businesses](#)