

EXPECTED SUSTAINABILITY OF SUPPORTED BUSINESSES

Outcome indicator, Process indicator

Indicator Phrasing

English: % of the supported [specify the target group] meeting the pre-set preconditions for the sustainability of their operations

French: % de [spécifiez le groupe cible] appuyés remplissant les conditions préalablement établies pour la durabilité de leurs opérations

Spanish: % de los [especificar el grupo objetivo] apoyados que cumplen las condiciones previas establecidas para la sostenibilidad de sus operaciones

Portuguese: % [especificar o grupo-alvo] apoiados/as que cumprem as condições pré-definidas para a sustentabilidade das suas operações

Czech: % podpořených [určete cílovou skupinu] splňujících předdefinované předpoklady pro udržitelnost svých operací

What is its purpose?

The indicator shows the extent to which the targeted service providers / sellers / other businesses meet the most crucial preconditions for the sustainability of their operations. It is useful, especially during mid-term reviews when there is still enough time to address the identified weaknesses.

How to Collect and Analyse the Required Data

1) **Determine the preconditions for sustainability** of the targeted businesses. These can include, for example:

- the business keeps mostly positive cash flow
- the business does not have debts that it is unlikely to repay
- there are no signs of the business having significant difficulties with finding customers
- the products/services are efficiently advertised
- the business does not have significant difficulties with managing or finding required staff
- the business does not have significant difficulties with accessing the needed materials / inputs
- the business is not facing recurrent and severe logistical or production problems leading to suspensions
- only a limited number of customers (e.g. less than 15%) complain about the quality of provided products / services

These criteria are just examples – you must **adjust them** based on the context of your intervention. **Avoid being overly ambitious** – rather than having too many criteria that only very few businesses can meet, it is better to have several more feasible criteria (e.g. regarding turnover). Furthermore, only include those preconditions for which **you can relatively easily collect the required data**.

2) **Decide how many / what types of criteria must be met and to what extent** for the business to be considered as “meeting the pre-set preconditions for sustainability”. For example, you can divide the criteria to “essential” and “desirable” where:

- all or most of the “essential” criteria must be met (either fully or partially); and
- at least a certain number of “desirable” criteria must be met

3) **Prepare checklists** for collecting the required data. For all criteria, it should be possible to determine whether the business meets it fully, partially or does not meet it at all.

4) **Collect the required data** about a [representative sample](#) of the target businesses, identifying the extent to which they meet the criteria. You might need to use a combination of methods, including reviews of accountancy documents and interviews with the business representatives / staff / customers.

5) **Count the number of businesses** that meet the required number of pre-set preconditions.

6) To **calculate the indicator's value**, divide the number of businesses that meet the pre-set preconditions by the total number of surveyed businesses. Multiply the result by 100 to convert it to a percentage.

Access Additional Guidance

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