



Evaluation Summaries

Evaluation: *Start and Improve Your Business (SIYB) – Papua New Guinea*

Quick Facts

Countries: Papua New Guinea

Type of Evaluation: Final

Mode of Evaluation: Independent

Technical Area: Employment

Evaluation Management: Keiko Niimi

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Project Start: 19 May 2008

Project End: 6 June 2008

Project Code: PNG03/02/AUS

Donor: *Australia* – AUSAID (\$US 796,207)

Key Words: *Start and Improve Your Business, SIYB, Papua New Guinea, PNG, Enterprise Development, Informal Economy*

Background & Context

Summary of the project purpose, logic and structure

SIYB was introduced into PNG in 1996. Since that time, there have been three, separately funded programme phases. The programme has been delivered through the Small Business Development Corporation (SBDC), a statutory body within the PNG Government's Department of Commerce

The current phase was funded by AusAID and commenced in 2004. The overall objective of this phase has been “to develop to sustainability an appropriate system of business training and after-training support

services for women and men who are starting or improving the management of micro and small business in PNG”.

Purpose, scope and objectives of the evaluation

The purpose and scope of the evaluation was to assess the performance and achievements of Phase III, particularly the institutionalization of the SIYB unit to identify lessons learned that could be used as a knowledge base to mainstream SIYB in PNG.

The evaluation was to examine the relevance and strategic fit of the project, the validity of project design, project progress and effectiveness, efficiency of resource use, effectiveness of arrangements for project management and impact orientation and sustainability.

Methodology of evaluation

The methodology included a desktop review of key documents, telephone and email contacts with key ILO personnel and field interviews with key stakeholders in PNG. Three locations were visited – Port Moresby, Madang and Rabaul.

Main Findings & Conclusions

- Immediate project objectives were either not achieved or only partly achieved. The SIYB Unit continues to operate as part of SBDC, but this organization is not functioning well. It operates without a

clear strategic direction, has neither a board nor a permanent managing director, and is not well placed to influence government SME policy development and the adoption of SIYB as a locally “owned” programme. In terms of the ILO’s own management of the programme, the loss of two CTAs during Phase III caused considerable disruption. The ILO was also criticised by the donor for not providing adequate reports on project progress and finances.

- In spite of these institutional challenges, and due in large part to both the clear need for entrepreneurship development in PNG and the extensive development work that has gone into the project during the previous phases, SIYB as a national activity has continued to have a positive impact at the field level.
- The project has built an extensive network of external “network partners” including a large number (111) who are, or have been, actively involved in training entrepreneurs. Internal programme linkages are weak within SBCD, with related programmes such as the ILO’s Know About Business (KAB) and the Financial Incentives Scheme (FIS).
- The project has not been particularly active in the training of trainers or Master Trainers in Phase III partly because the trainers available do not meet the required standards. Only one Master Trainer has been accredited (the National Programme Manager).
- No new products were developed during the period, although the fisheries and forestry packages developed during Phase II were market tested and finalised. Planned new products for women entrepreneurs and the agriculture sector were not developed, but are still needed.
- Qualitative information collected during the field visits and quantitative information collected as part of a separate Impact Assessment Study suggest that the SIYB training is benefiting participating entrepreneurs, leading to the creation of

new businesses, promoting better financial and operational management and generally improving business performance.

- The existing programme administration does not appear to be sustainable in its current institutional setting, but the SIYB training methodology and course materials have been embraced by many network partners who seem likely to continue to use the programme, funding courses through external means where they can (e.g. NGO donor funds, local level government administered resources).
- An important development in Phase III has been the extension of SIYB to the education sector, including secondary schools and vocational colleges. Given high rates of youth unemployment and general lack of formal sector job opportunities in the PNG economy, this area presents fertile new ground for future SIYB-related projects in PNG.

Recommendations & Lessons Learned

Main recommendations and follow-up

- The location of the programme development function in SBCD should be reconsidered;
- There is a need to replenish the pool of trainers and to ensure that the right people are chosen for trainer training;
- There is a lack of appropriate linkages to support services for the participating entrepreneurs – particularly to sources of finance and to business mentors;
- There is a need for a strategic approach to sector development and provincial development and for SIYB to be integrated into this approach;
- There is great potential for more development work in the student/youth entrepreneur market;
- There is a continuing need for new products and resource materials to be developed;
- Not enough SIYB activity has taken place in the Highlands;

- More linkages with private sector developers should be developed;
- SIYB should continue to build its links with the Community Learning and Development Centres that are currently being established;
- There is a need for more flexible course delivery options.

Important lessons learned

- Family issues in running SIYB courses targeting women – there is a need to ensure that the husbands of participants understand the benefits of the training and any disruption this might cause to the family routine. One network partner faced domestic violence issues with participants when this was not done. Child care needs also need attention.
- SIYB and Wantok practices – These kinship customs can adversely affect business operation and SME programmes need to help participants resolve such problems.
- Network partners can assist in marketing – The involvement of network partners that can help connect participants to markets is desirable.
- Teaching methods – Many PNG people respond better to a highly practical curriculum that draws examples from their specific circumstances. Highly theoretical approaches should be avoided