



# Evaluation Summaries

## *Setting up of a Small Enterprise Support Unit (SESU) at the Social Development Centre in Qatar - ILO/SDC Start and Improve Your Business Project*

### Quick Facts

**Country:** Qatar

**Type of Evaluation:** Final

**Date of Evaluation:** May 2008

**Mode of Evaluation:** Independent

**Administrative Office:** RO-Beirut

**Technical Backstopping:** EMP/ENTERPRISE

**Evaluation Management:** Office of the  
Arab States

**Evaluation Team:** Mr. Tim Dyce, Asia Pacific  
Enterprise Training Centre, Sydney

**Project Start:** 5/2006

**Project End:** 12/2007

**Project Code:** QAT/05/01/SDQ

**Donor / Project Budget:** Qatar Telco: Q-Tel:  
USD 679,8971

**Keywords:** Small enterprise development

### Background & Context

The State of Qatar in the space of two generations has undergone a swift transition from an economy of herdsmen and fishermen on the edge of the Persian Gulf to one of the giant sources of energy for the world economy. The resource strengths of its natural gas deposits (3<sup>rd</sup> largest in the world) now attract expatriate companies that provide jobs for educated Qataris. The Government is also a source of employment. The economy as a whole requires increasing numbers of expatriate labourers and service personnel who account now for a majority of

the population (around 70%)<sup>1</sup> and are increasingly employed in the private sector. Many come from countries with developed enterprise cultures and act as partners with Qatari citizens in businesses which through a lack of enterprise skills on the part of some of the Qatari owners, are essentially directed by the immigrant entrepreneurs.

To strengthen individual Qataris' control over these partnered businesses, and more especially to enable unemployed and underemployed Qataris who are unlikely to find jobs in the corporate or public sectors, and to enable women who may wish to initiate or join family businesses, the Social Development Centre (SDC), an agency within the Qatar Foundation that supports Qatari families, decided to introduce a Small Enterprise Support Unit (SESU) to provide business skills training and BDS to SMEs. With technical assistance from the ILO and local funding from Q-Tel the Qatar Telco, the 18 month project would establish the support unit by introducing and adapting the existing Arabic version of the ILO's Start and Improve Your Business (SIYB) programme using a Jordanian SIYB Master Trainer as project CTA. The SDC was treated as the focal point for the programme. The partner organization structure of larger SIYB

<sup>1</sup> American sources such as the CIA estimate the total population of Qatar in September 2007 to have been 907,229. The rapid increase in migrant population to deal with the construction boom cause percentage estimates to vary. The General Secretariat for Development and Planning in May 2008 said that the population since 2004 had risen by 90% to 1.4 million – refer: Arabian Business.com 15.05.08

programmes was not used. Instead a group of "free-lance" SIYB trainers was to be trained who would then work with the SESU. At the end of the project the delivery structure and staff would be integrated into the SDC organization, though oriented towards eventual autonomy and commercial viability.

The focus was on training for Qatari citizens. A limited number of non-Qataris were to be admitted to the course and also selected as trainers. To avoid a "welfare" image and to encourage longer term commercial viability of the scheme the indirect beneficiaries were not identified as unemployed or under-employed but rather the "Qatar business community generally and Qatari men and women who would wish start their own businesses". SIYB training was to be supported by enterprise awareness campaigns to strengthen SDC's advocacy role for SME development.

### **Present situation of the project**

The delivery structure for the SIYB programme is in operation and the foundation laid for delivering other services. The SESU (now called TANMIA for Small and Medium Enterprises) has been established, with capacity to deliver SIYB training using the 8 SIYB trainers certified by the project. Two of these are the specialist staff persons who now manage the TANMIA (with one administration staff trained by the project) and which, at its wind up, were transferred from the project to the permanent staff of the SDC. The TANMIA is working to a 2008-2012 business plan using an Operations Manual and the Qatar version of the Arabic SIYB materials, prepared by the project. The project advisory committee is reconstituted as an advisory body to the TANMIA.

Some work had begun on project objectives of public awareness of enterprise, and also on a loans scheme for small entrepreneurs, but more is expected on these issues in the five-year plan. Favourable agency reception of the SIYB work has led to interest in other ILO products: Expand Your Business (EYB) - by the Chamber of Commerce -- and Know About Business (KAB) - by the Ministry of Education

### **Purpose, scope and objectives of the evaluation**

The evaluation assessed the project at the end of its 18 months duration (subsequent

to the evaluation mission, the project was extended for a further two months). The TOR stipulated evaluation on relevance, design, effectiveness, efficiency and sustainability; but (because of the short time frame) not on impact. It was necessary to analyse the project document in some detail, verify (on the data available) progress in achieving the outputs and activities and to assess the viability of future planning.

### **Methodology of evaluation**

The methodology used was:

- 1) To review the objectives of the project document by interviewing the major stakeholders of the project (most of whom had the advantage of overview of the wider Qatar economy and society), and also by interviewing those who designed the project: Enterprise Specialist, ILO Office for the Arab States, and the General Manager SDC.
- 2) Assess project outputs and performance through study of available reports, training materials, publicity and evaluation material and through interviews with the CTA, project staff, SIYB trainers (including some who withdrew from the TOT), and a selection of IYB and SYB trainees. The evaluator observed some training sessions.
- 3) Assess the viability of the programme into the future by reviewing documentation and interviewing the relevant TANMIA SDC and ILO personnel.

Lack of access to some people and documents impeded methodology implementation.

### **Main Findings**

- 1) The problem with ambitious or vague benchmarks in a project document is that the evaluation has to spend a lot of time pointing out areas of underachievement when what was actually achieved - in this case, setting up an operating, best-practice, locally-adapted adequately-capacitated SIYB programme in the space effectively of 12 months in a small country with limited SME history --- was truly an excellent piece of work. The stated objective of the project was as a "fully operational support unit for SMEs". In reality the project's more limited objective was to adapt and introduce the ILO SIYB Training Programme in Qatar, which it did very well.

2) The project has been successful in its core tasks of:

- Translating, adapting and using SIYB training materials in the Qatar situation
- Advertising the course both to trainee-trainers and trainee-entrepreneurs
- Recruiting and training a cadre of 8 competent local SIYB trainers (TOT)
- Completing an initial, if brief, round of SIYB training for entrepreneurs (TOE)
- Building credibility for SIYB, the SDC and ILO among significant government and corporate agencies in Qatar.

3) The project produced a detailed Operations Manual and a Business Plan though the latter needs a wider sustainability strategy incorporating risk assessment and planning.

4) The project did not achieve its immediate objective of "a fully operational SESU capable to provide independently and effectively non-financial business development and support services to existing national small enterprises and potential entrepreneurs in order to start viable micro and small business ... (and) ... capable of undertaking SME awareness campaigns and have a lobbying role at the macro level"

5) Nor did it achieve its stated target indicator of "at least 10 Qatari women and men trained and certified as ILO/SIYB trainers" SIYB trainers (still less the stated output of "ten to fifteen nationals Qatari trainers"). In addition, the training time required for certification was less than the current international norm. [It should be noted that ILO respects local context when evaluating such requirements: and in the situation of this project it was difficult to see how many more contact hours of training could have been fitted in before the end of the project period.]

6) Limited knowledge of how small businesses operate, led to the trainers failing the initial content test. A top-up content training was conducted over eleven evening and Saturday morning sessions. This need and the full extent of post-accreditation responsibilities had not been

communicated clearly to the trainers. As a result of this and other factors, eleven of the eighteen trainers withdrew (Another had dropped out earlier). The remaining eight trainers passed the examination and were accredited.

7) The project envisaged "enterprise awareness campaigns". However what was carried out was the more limited, though essential, task of marketing SIYB to potential clients. So it did not achieve its loosely defined target indicator: "A number of advocacy campaigns and marketing tools for SME development and training produced with SDC taking the lead in national promotion". On the other hand the launch of a comprehensive quality business skills training programme in SIYB, has positioned SDC as an important actor among a small number of business development agencies. Its contact with SIYB trainees makes SDC well positioned to track the needs and obstacles facing Qatari entrepreneurs and bring these to public attention.

8) In marketing to clients, it built a positive image with mainstream clients, but in the time available there were insufficient strategies for reaching clients with lower standards of education.

9) The project also did not achieve the output of "SESU's capacity to facilitate the provision of small loans to existing entrepreneurs and/or entrepreneurs-to-be, enhanced". Proposals were put to at least one bank for better financing for SMEs but they were not well prepared nor well received. There are very good (banking) reasons for banks not to fund SMEs, and these reasons need to be understood and answered with reference to effective overseas models using intermediary agencies and guarantee systems. There was no strategy to support the project in doing this.

In summary, less was achieved than had been expected, but the project responded creatively to the limitations it faced making the best use of its resources to deliver the essential outcome: an in-country operating SIYB programme.

## Recommendations & Lessons Learned

### A. THE SIYB QATAR PROJECT

#### Main Recommendations

##### 1) Sustainability Strategy

The business plan envisages only one scenario of development (two of funding). A 5-year sustainability strategy is recommended, including risk analysis; review of costing and of competition, refinement of target markets, further product development, and design of future governance and HRD systems. The plan needs regular review of its identified key success factors: (retaining project staff, and commitment of trainers).

##### 2) Human Resource Management

The project's key strength is the team of SIYB trained trainers. The main management task is to maintain and grow that strength which in turn depends on the management strength of the TANMIA staff. The Social Development Centre already recognizes the difference of this activity from its other activities. It needs to continue to plan for TANMIA to be a commercially driven entity with a sustainable organizational structure and management. The TANMIA has been fortunate in its present staff; but proactive performance review, support and succession planning are recommended.

##### 3) Trainer Training, Organization & Support

Because of confusion of communication and expectations regarding the requirements on free-lance trainers, this issue needs further discussion. It is recommended to set up a regular forum for accredited trainers to agree on and then review trainer responsibilities and support entitlements, among other matters. In the light of the limited amount of training that the existing trainers have done, this forum should not yet be constituted as an SIYB Trainers' Association. Membership eligibility for an Association should include completion of the international standard of training requirements. Extra supervised training should therefore take place at an early stage.

### Main Lessons Learned

1) Involvement of a local corporate donor (as opposed to an overseas government, national government or international agency donor) injects local ownership, private sector disciplines as well as non-financial inputs such as good reputation and business advice into the donor-project relationship. Q-Tel was a role model in this regard.

2) There is potential for ILO enterprise programmes in the Arab States subject to the kind of adaptations (such as emphasis on family enterprises) and partnerships (with a quality organization such as SDC) that were available to this project.

### B. THE ILO

#### Main Recommendation

1) The project has developed new institutional sustainability elements of the SIYB Programme: e.g. the focal-point partner and corporate sector staff acting as free-lance trainers, though the free lance trainers are not the self-employed BDS consultants of the original concept but busy corporate executives who are doing this training in their spare time. To maintain the commitment of these trainers needs a different package of incentives and administrative support from that for self-employed consultants.

#### Main Lessons Learned

1) The limitations of this project were mainly those of setting unrealistic objectives and time frame. Part of the cause for this was the length of time it took for the project to be conceived, promoted, put into proposal form and journey through the levels in the system before getting the go-ahead: 6 years in total and 3 from the time the proposal was put in written form. At some point the resources and time lines were significantly reduced from those of a larger project while retaining the larger rhetoric and objectives. There is room to evaluate procedures to see where bottlenecks occur or where greater flexibility in project design and approval processes would avoid under-resourcing, unnecessary pressures and limited outcomes.

2) In small countries that lack an enterprise culture (at least in modern international form) a project to build enterprise culture is obviously going to be affected, by that lack, in the speed and capacity with which the project is built. A key issue is that the kind of people competent to learn from the international CTA and take over the programme, are likely to be found in only a small niche of the local labour market. It is recommended that assessment of this labour market is part of such project designs.