

# Worksheet – Enterprise Start-up Support Tool: Data capture for feasibility and social impact of rural enterprises

This worksheet is linked to the Toolkit on Youth in Food Systems

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# Why use the tool

This tool is designed for projects that support enterprise start-ups with the objectives of both becoming viable and socially inclusive. The tool helps project managers in three ways;

1. To measure the feasibility, social impact and potential scalability of enterprise start-ups.
2. To agree on measurements and key targets internally and with third parties (stakeholders, members, donors, public or private sector).
3. To compare the results across different start-ups and so help determine which to (dis)continue.

The tool complements monitoring & evaluation by providing more specific indicators to help decision-makers evaluate progress of the start-up.

The tool itself is in excel. Double-click on the excel icon to open it, and use this accompanying guide to understand how to use the tool.



## What does the tool NOT do?

- It does NOT replace technical specialists. They are needed to help apply the tool in the specific context and interpret the results.
- It does NOT tell the user when to continue or stop supporting a start-up, but provides information that would help inform this decision. The choice is ultimately yours.
- It does NOT replace M&E but strengthens it.

## Where does the tool come from?

The tool was developed within the BENEFIT-REALISE programme, a multi-sector rural livelihoods programme in Ethiopia funded by the Netherlands Embassy between 2019-2021. REALISE (Realising Sustainable Agricultural Livelihood Security in Ethiopia) aims to contribute to sustainably improved food and nutrition security and resilience among food insecure rural households in Ethiopia.

Rural enterprise pilots were designed to address systemic challenges related to resilience building, youth employment, risk management and nutrition. This tool was developed to evaluate the performance of these in terms of viability, social inclusion, and possible scalability, with a commercial and social impact goal in mind.



# When to use the tool

The tool is best applied right from the beginning of a project and used as a guide until the end.



- Apply the approach and tool to (rural) enterprise start-ups as early as possible

The tool works best when used from the inception phase when developing KPIs with partners, the start-ups themselves, and 3rd parties. This then allows for indicators and targets to be agreed upon together.

- Incorporate the tool in project cycle management to track viability and social inclusion progress

The tool shouldn't replace the M&E guidance but provide a benchmark for monitoring progress or set-backs of the enterprise and how much it is benefiting its members. It should also inform adjustments that need to be made to the project.

- Draw on the findings to support in reports, communications and promotional material

Data tracking and qualitative results will reveal findings that inform enterprise progress that the project can use to report during and at the end of the project. The same information may be used for communication & marketing.

# What to do with the results

**Intermediary results.** Collected as the enterprise begins and moves forward, intermediary results should inform all those involved on progress, any other information needs to be collected, and next steps to take. In simple terms, next steps can mean;

- 1) On track – keep up the good work!
- 2) Adapt – adjust a part of the business (inputs, management, market access, etc.).
- 3) Scale up – it’s going well and can grow.
- 4) Scale back – the context or business model isn’t working. Slow down.

At some point support to an enterprise may need to stop, though this is a last resort only after all options have been exhausted.

**Final results & communication.** Information collected as the enterprise develops becomes a track record of its progress. A project supporting an enterprise should help convert the data collected through this tool into communication materials that the business can use to pitch itself. These materials may also be used for donor reporting, policy advocacy and general communications.

## **Are feasibility, viability and sustainability the same?**

No, but they overlap, and people often use one when they mean another, so it’s confusing.

*Feasibility* refers to something easily or conveniently done which leads to the business running better. *Viability* means a business being able to run independently under the current conditions.

*Sustainability* means being able to reasonably project into the future that the business will remain viable. In this tool we use the terms feasibility and sustainability, though it is often very challenging to know how sustainable a start-up really is in the longer term, as conditions change.

# How to use the tool

The application of the tool requires three steps:

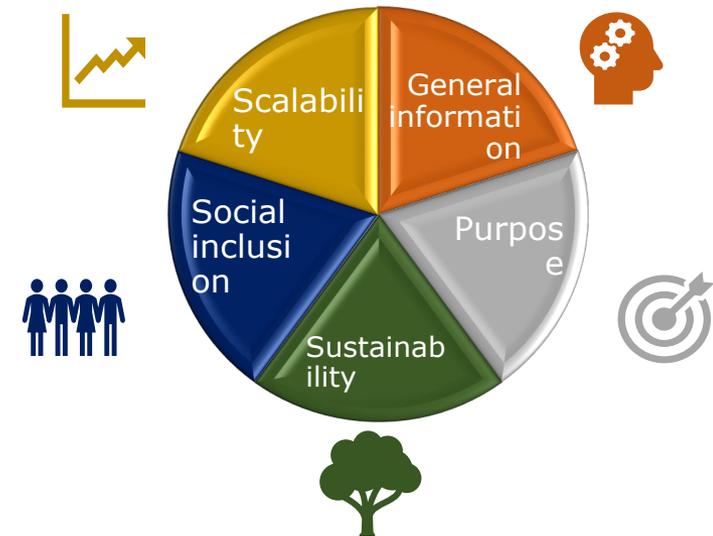
- 1. Prepare:** work out with colleagues, partners and the enterprise members themselves how to best use the tool – it is essential that the enterprise members themselves understand the indicators. The tool should complement rather than replace existing M&E, so other indicators may be introduced as well. Develop an implementation plan and timeline.
- 2. Implement:** The information you collect should help inform everyone involved on the progress of the enterprise and how, and how much, youth and women are benefiting from it. How often you collect the quantitative and qualitative data, discuss this, adapt the enterprise or the programme, will depend on the business – though it should be a regular exercise (every few weeks, rather than months). Ultimately it should help inform everyone involved on the health of the enterprise inform decision-making.
- 3. Communicate:** Over time the data can form the core of your communications material to key partners and wider audience, including for internal reporting, donors, third parties, other stakeholder networks, etc.

Ideally, the people operating the enterprise start-up learn how to monitor the key indicators and update the tool themselves, increasing understanding and entrepreneurship.

# How to use the tool

The tool includes five sections:

1. **General information:** start-up profile
2. **Purpose:** key and supplementary objectives
3. **Sustainability:** determine access required to key resources for start-up feasibility
4. **Social inclusion:** measure the inclusion, benefit and empowerment of youth and women
5. **Scalability:** determine the readiness for potential scaling of viable and inclusive start-ups



The sustainability, social inclusion and scalability sections consist of several indicators based on the specific characteristics of the start-up and context. Not all indicators may need to be measured directly from the start given the context and objectives of the enterprise.

# How to use the tool

## Sustainability indicators:

1. **Access to knowledge:** data on the required skillset and access to information for successful operation
2. **Access to credit:** information on the available credit sources and amounts
3. **Access to inputs:** for each type of input the quantity, quality and timeliness required
4. **Access to markets:** the available demand, market linkages, competition and distance to accessible markets
5. **Profitability:** includes data points about the initial investment amount; costs of fixed, variable and credit costs; and revenues



# How to use the tool

## Social inclusion indicators related to three topics:

### 1. Inclusion:

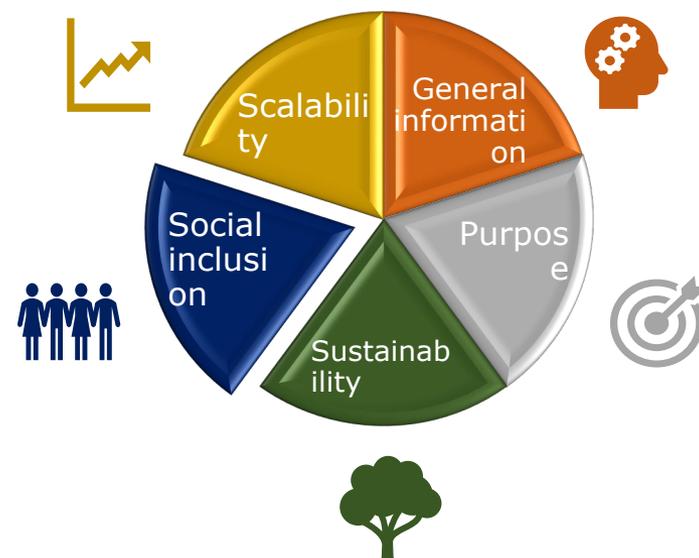
- **number of youth and women** – how many are involved and how big a role do women & youth play in the enterprise

### 2. Benefit:

- **Training** – what kind of training are women & youth receiving
- **Services** – do women & youth have access to service support and if so, what are they
- **Leadership** – who holds senior positions in the enterprise
- **Income** – is income being generated and how regular is it

### 3. Empower:

- **Attitude towards self** – have women & youth gained more confidence and control in their lives
- **Attitude of others** – are participants supported by others (family, community)
- **Household resources** – are households benefiting from the enterprise
- **Other** – what else, if anything is noteworthy



# How to use the tool

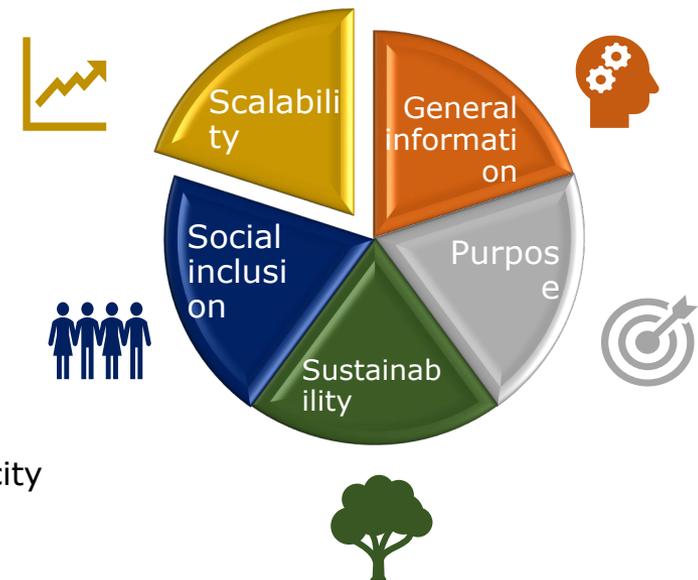
## Scalability indicators for two levels:

### 1. Readiness:

- **intentions** - reason to pursue scaling and the type: replication or expansion
- **opportunities** – factors that support scaling
- **risks** – factors that impose challenges to scaling
- **adoption** - analyse the level of uptake

### 2. Assessment:

- **innovation** - specify the package/activity that is scaled
- **users** - identify the involved stakeholders and their capacity needs
- **strategy** - steps and resources to implement scaling
- **enabling environment** - what are critical institutional, regulatory conditions



# Source

## Enterprise Start-up support tool

This tool was developed by Flo Dirks and Thomas Tichař, initiated by the REALISE program.  
Click [here](#) to check out the tool.

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